

The Retirement Risk You Can Solve

Set out on your
retirement journey
with clarity.



How to Get More From Social Security

When it comes to creating a custom retirement income plan, maximizing your Social Security monthly benefit is a key step. Why? Social Security offers inflation-adjusted income that continues for life.

How Far Will Your Social Security Benefits Go?

Social Security is the foundation for most Americans' retirement income plans, but it only goes so far toward replacing pre-retirement income, often leaving a gap. Social Security covers about 40 percent of the average worker's pre-retirement income, according to the Social Security Administration.¹ For higher lifetime income earners, the replacement rate is only about 28 percent. Claiming before their full retirement age results in even lower replacement rates. Most financial professionals suggest you'll need 70 percent to 80 percent of pre-retirement income in retirement. In 2025, a retiree claiming at full-retirement age who had average annual earnings of \$69,473 would get \$30,605 per year (\$2,550 per month).²

Someone with lower average earnings would get smaller monthly checks, but their benefits would replace a higher percentage of their pre-retirement income. Say your average earnings were \$31,263. You'd get \$18,524 per year at your full-retirement age (\$1,544 per month) — replacing 57 percent of your pre-retirement income.

And someone with higher average earnings would get bigger monthly checks, but their benefits

would replace a smaller percentage of their pre-retirement income. Say your average earnings were \$171,373 (the taxable average for maximum Social Security benefits). You'd get \$49,415 per year (\$4,118 per month), replacing just 26 percent of your pre-retirement income. In 2026, for someone who earned the taxable maximum every year beginning at age 22, their maximum monthly benefit would be \$4,152 at their full-retirement age and \$5,181 if they waited until age 70. However, their monthly benefit would only be \$2,969 if they claimed at age 62.³

This means there could be a gap between what Social Security provides compared to your retirement income needs. You can check your estimated benefits based on your actual earnings record by opening an online account at www.ssa.gov/myaccount/. Fortunately, there are ways to maximize your monthly Social Security benefit. A financial professional can help you take full advantage of this reliable income source and identify ways to fill in the gap.

The Work Longer Strategy

You can boost your Social Security benefit by working longer and earning more. The Social Security Administration takes each year's earnings that have been reported by your employer (plus any net Schedule C self-employment income you

¹<https://www.ssa.gov/pubs/EN-05-10024.pdf>

²<https://www.ssa.gov/oact/NOTES/ran9/an2025-9.pdf> and <https://www.ssa.gov/oact/NOTES/ran9/index.html>

³“What is the maximum Social Security retirement benefit payable?” Social Security Administration, 2026.

report) and uses that information to calculate your benefit. Your monthly benefit is based on your average earnings in your 35 highest-earning years. If you're out of work for any year, that year counts as a zero, bringing down your average earnings and your monthly benefit. So, consider working longer and retiring later, especially if you're short of that magic 35 years.

The more you earn also plays into the benefit formula, boosting your average wages and your monthly Social Security check. That's a reason to ask for a raise, switch jobs, or start a side gig. You can use these strategies — working longer and earning more — even if you're already receiving benefits. As long as you're working and paying into Social Security, your earnings record will be updated.

Delay Claiming

You can start collecting Social Security benefits at age 62, but that doesn't mean you should. When you check your online Social Security earnings record, you'll see estimates for the monthly benefits you'll receive if you claim benefits at age 62, at full retirement age (age 67 for those turning age 62 in 2026), or at the maximum deferral age of 70. For most retirees, depending on their personal situation, it makes sense to wait until at least full retirement age to start collecting. If you start benefits before full retirement age, your monthly checks will be lower. Many retirees may want to consider delaying benefits beyond full retirement age. By delaying, your monthly benefit will continue to increase until you reach age 70 at the rate of about 8 percent a year. Also, note that if you're married, and delay your benefit, you're also potentially helping your spouse if he or she outlives you and collects a survivor benefit.⁴

Spousal Benefits

It's hard enough to calculate the best Social Security claiming strategy if you're single. It's even trickier if you're eligible for spousal benefits too. You need to be married — or have been married — to someone who qualifies for Social Security to get spousal benefits. You either claim on your own earnings record or you take a spousal benefit based on your spouse's earnings record. The spousal benefit is up to 50 percent of the earner's benefit. If there's a big

income difference or a big age difference between spouses, it may be advantageous for one spouse to claim early and the other spouse to delay claiming until full retirement age or later. But talk with a financial professional about your individual circumstances.

Divorce

This comes as a surprise to many: If you're divorced, you may be able to collect benefits based on your ex-spouse's earnings record. Like spousal benefits, you'd get up to 50 percent of the earner's benefit. You have to have been married for at least 10 years, be unmarried, and at least 62 years old.

Survivor Benefits

Survivor benefits are available to widows and widowers. Often, both spouses will have started receiving benefits when one passes away, and that spouse's monthly benefit will stop. The surviving spouse can step into the deceased spouse's benefit as the survivor benefit — or continue with his or her own monthly benefit, whichever is higher. If your spouse passes away before you've started collecting benefits, you can take the survivor benefit, let your benefit grow, then switch to collect your benefit later. There are survivor benefits for ex-spouses too. If your ex-spouse dies, you're 60 or older, and you were married for at least 10 years, you can collect the same benefit as a widow or widower.

The Bottom Line: Creating a Retirement Income Plan

Delaying your benefits might not be best for everyone. But understanding Social Security's role in income planning is key to a solid retirement income plan and a secure retirement. A misstep can cost you or your heirs tens of thousands of dollars in benefits. A financial professional can help you maximize your monthly Social Security benefit, calculate how far it will take you toward your retirement income goal, and suggest ways to fill in the gap with protected income. Your plan might include annuities, which also offer protected lifetime income. By boosting the amount of retirement income supplied by Social Security, and making protected income part of your retirement plan, you can ease the pressure to draw down your other assets.

