



Wisconsin Strong Women: Unique Challenges to Achieving Financial Security June 24, 2021 Answers to Frequently Asked Questions (Social Security)

Please note: The information in this document is not legal advice. Talking with your financial planner and a Social Security representative is always a good idea before taking any action.

A link to the recorded webinar is available [here](#). For more resources on Social Security from the Women's Institute for a Secure Retirement (WISER), [click here](#).

- 1. My questions are about Social Security... I am divorced. We were married for 17 yrs so it is my understanding that I am entitled to half his Social Security earnings... do I have to wait until he starts using it or can I make the decision on timing independently? Is it possible the law could change and this benefit be eliminated? Also, does it reduce the amount he receives by half?**

Eligibility – You are eligible for benefits as a divorced spouse provided your marriage lasted at least 10 years AND you must not be currently married. If you remarried and divorced your second spouse, you can claim benefits from either your first or your second spouse, provided again the marriage lasted at least 10 years. (Note: If you remarry after you reach age 60 (age 50 if disabled), the remarriage will not affect your eligibility for **survivors** benefits based on your ex-spouse' record should your ex-spouse pre-decease you.)

Timing – You do not need to wait for your ex-spouse to start claiming. If your ex-spouse has reached age 62 and is eligible to receive retirement benefits but has not yet applied, you can still apply for ex-spousal benefits if you have been divorced for at least two years.

Changes in the laws – It is always possible that changes could be made to the Social Security program, but it seems unlikely that they would do away with the spousal benefit. And if any changes to the program ARE made, they usually do not impact those currently nearing retirement age. There were changes to the program back in 2016 that affected some of the claiming strategies couples could use, but again, as of now, WISER does not think there is currently any reason to think the spousal benefit would be eliminated.

Effect on ex-spouse's benefit – No, your ex-spouse's benefit would not be reduced by half. His benefit and anyone else who may be able to make a claim based on his benefit will not have their benefit amount impacted.



2. Would you please explain divorce and claiming spousal benefits? I am divorced. Was married for 20 years. I am 62, working full time and thinking of retiring.

The spousal benefit as a divorced spouse is the same as for married spouses: You can receive 50% of your ex-spouse's benefit amount if that amount is more than you would receive on your own Social Security earnings record. You do not need to wait for your ex-spouse to start claiming. If your ex-spouse has reached age 62 and is eligible to receive retirement benefits but has not yet applied, you can still apply for ex-spousal benefits if you have been divorced for at least two years. Also, your ex-spouse's benefit amount (and anyone else who may be able to make a claim based on their benefit) will not be impacted. Note: If you do apply for Social Security before your [full retirement age](#), the penalty/reduced benefit for early claiming will still apply to your divorced spousal benefit.

3. Can I use my ex-husbands SS when I retire and change over to my SS when I turn 70 to let my SS continue to increase?

In most circumstances, no. Changes to Social Security in 2016 did away with the option to claim just your ex-spousal benefit first and postpone claiming your own retirement benefits. This option is only still available if you were born before Jan. 2, 1954 or if you are entitled to Social Security disability payments. Divorced spouses who don't qualify are subject to Social Security's "deemed filing" rule. Under this regulation, individuals filing for retirement benefits who are also eligible for spousal benefits must claim both at the same time and you will receive whichever benefit amount is higher. The provision applies to divorced as well as married filers. Note: "Deemed filing" does not apply to survivor benefits. If your former spouse is deceased, you can apply for and collect benefits on his or her record and delay your own retirement claim.

4. Can I use my ex-husbands SS if I remarry?

You are eligible for benefits as a divorced spouse provided your marriage lasted at least 10 years AND you must not be currently married. If you remarried and divorced your second spouse, you can claim benefits from either your first or your second spouse, provided again the marriage lasted at least 10 years. (Note: If you remarry after you reach age 60 (age 50 if disabled), the remarriage will not affect your eligibility for **survivors** benefits based on your ex-spouse' record should your ex-spouse pre-decease you.)

5. How do I find out what my payment would be if I use my ex-husbands?

AARP provides a good answer to this question on their website:

<https://www.aarp.org/retirement/social-security/questions-answers/estimate-ex-spouse-benefits.html>

Note: When the time comes to apply for your Social Security benefit, you can provide all the necessary information needed to apply for your benefit and the



divorced spousal benefit and Social Security will do the work to determine which benefit amount is higher and give you that one.

6. How leaving work for caregiving affects vesting for Social Security?

To be eligible to receive Social Security, you need to have earned 40 credits which you get when you earn income and pay Social Security taxes. There are more details on how credits are calculated here

(<https://www.ssa.gov/benefits/retirement/planner/credits.html>), but generally 40 credits equates to working about a total of 10 years. (Note: They do not have to be 10 consecutive years). So caregiving can affect your eligibility to receive a Social Security benefit if it means your time away from work prohibited you from earning those 40 credits over the course of your life.

The other impact is in how your benefit amount is calculated once you are eligible. To calculate your benefit, Social Security looks at your top 35 earning years. If you do not have 35 years with earnings when you claim your benefit, those years are counted as zeros. For example, if you worked for 30 years, there will be five zeros in your benefit calculation, which would lead to a lower benefit than you would otherwise have if you had earnings for at least 35 total years. There have been legislative proposals put forth to give caregivers a Social Security caregiving credit (most recently in 2019), but it is hard to say if those proposals will gain momentum any time soon.

7. I'd never heard that Social Security counts the top 35 years of earnings - if you or someone you know takes time out of the workforce for a few years to care for young children & later a few years to care of aging parents and only accumulates 30 years of SS earnings, would the 5 years you didn't work reduce your final benefits if you retire at that time?

Yes, those missing years would lead to a lower benefit than you would otherwise have if you had earnings for at least 35 total years. To calculate your benefit, Social Security looks at your top 35 earning years. If you do not have 35 years with earnings when you claim your benefit, those years are counted as zeros. For example, if you worked for 30 years, there will be five zeros in your benefit calculation, which would impact your benefit amount. There have been legislative proposals put forth to give caregivers a Social Security caregiving credit (most recently in 2019), but it is hard to say if those proposals will gain momentum any time soon.

8. If a spouse needs to retire after their full retirement age but before 70, is it smarter than to live on 401k funds first before having SS benefits kick in?

WISER can only provide education and information and not specific financial advice, but this is sometimes a recommended strategy or at least a strategy worth considering in order to allow you to maximize your Social Security benefit since that



is a source of income that you will receive for life. It is always a good idea to discuss these options with a financial advisor who would be familiar with your entire savings and investment portfolio.

9. If I claim spousal benefits, now, can I switch to my own at age 70?

In most circumstances, no. Changes to Social Security in 2016 did away with the option to claim just your spousal benefit first and postpone claiming your own retirement benefits. This option is only still available if you were born before Jan. 2, 1954 or if you are entitled to Social Security disability payments. Spouses who don't qualify are subject to Social Security's "deemed filing" rule. Under this regulation, individuals filing for retirement benefits who are also eligible for spousal benefits must claim both at the same time and you will receive whichever benefit amount is higher. The provision applies to divorced as well as married filers. Note: "Deemed filing" does not apply to survivor benefits. If your spouse (or ex-spouse) is deceased, you can apply for and collect benefits on his or her record and delay your own retirement claim.

10. Is the Survival SS at 50% like Spousal?

No, they are not the same. **Spousal benefits** provide a maximum 50% of the other spouse's benefit amount at their [full retirement age](#) (also called their Primary Insurance Amount). Alternatively, **survivors' benefits** are a maximum 100% of the deceased **spouse's retirement benefit**. (You can also think of it as whatever the total benefit amount is that the deceased was receiving at the time of their death. This amount would include any increases to the benefit the deceased spouse might have been receiving if they had delayed claiming their benefit past their full retirement age.)

11. How can you determine if your ex-spouse SS will be greater than what your own SS amount will be?

The best way to get an estimate of what your own benefit will be is to sign up for your online Social Security account at www.ssa.gov/myaccount. It is a bit more work to get an estimate of what your ex-spousal benefit would be, but AARP provides a good answer to this question on their website:

<https://www.aarp.org/retirement/social-security/questions-answers/estimate-ex-spouse-benefits.html> Note: When the time comes to apply for your Social Security benefit, you can provide all the necessary information needed to apply for your benefit and the divorced spousal benefit and Social Security will do the work to determine which benefit amount is higher and give you that one.

If you and your ex-spouse are still on good terms, you can ask them to check their own online Social Security account to also help get the information you would need. See these instructions: <https://www.ssa.gov/myaccount/spousal-benefits.html>



12. Please repeat the calculation for spousal social security. Must my total monthly SS benefit be lower than my ex-husband's total monthly benefit for me to claim his total monthly benefit?

The spousal benefit provides a maximum of 50% of the other spouse's benefit amount at their [full retirement age](#). That means your *total* monthly Social Security benefit would need to be less than *half* of what your ex-husband's monthly total benefit would be at his full retirement age in order to receive a spousal benefit, instead of a benefit based on your own record.

Should your spouse pre-decease you, however, you would then be eligible for the survivor benefit which is 100% of the deceased spouse's retirement benefit. (You can also think of it as whatever the total benefit amount is that the deceased was receiving at the time of their death. This amount would include any increases to the benefit the deceased spouse might have been receiving if they had delayed claiming their benefit past their full retirement age.) If that total amount is higher than your own benefit then you can switch to a survivor benefit at that time.