




**Nationwide®**  
is on your side



Nationwide Retirement Institute®

# Begin planning your Social Security strategy now

Work with a financial professional as you make the choice of a lifetime.



## Why can you trust Social Security expertise from Nationwide®?

Our credentialed Social Security specialists have decades of planning experience in helping financial professionals and clients like you. We want you to achieve a greater level of financial security in retirement by fully understanding your Social Security options.

### Research-driven insights

The Nationwide Retirement Institute® has teamed with The Harris Poll for nearly 10 years to survey Americans' knowledge of and concerns about Social Security. Year after year, our surveys find that there is confusion about the program. We're eager to clear up that confusion and help people maximize the benefits they receive. If you're interested in viewing the results of our latest survey, you can visit [Nationwide.com/SocialSecurity](https://Nationwide.com/SocialSecurity).

### Social Security topics that Nationwide regularly studies and shares with financial professionals:



How **current events** affect Social Security claiming decisions



**Key knowledge gaps** and misunderstandings that hinder the ability to maximize benefits



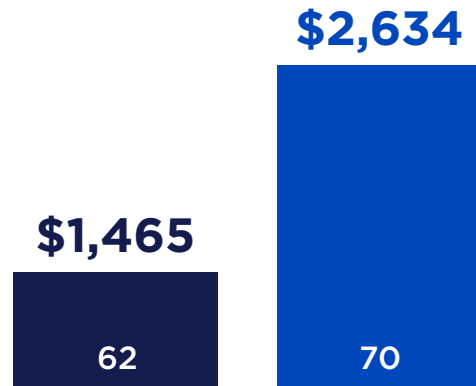
How Americans **integrate Social Security benefits** into an overall retirement income plan

## Your benefit, optimized

Your Social Security retirement benefit is one of the few things in life that's uniquely yours. What's more, it's one of the most important financial decisions you will ever make. That's why we call it the choice of a lifetime.

### The longer you wait, the higher your benefit amount.

You can file as early as age 62, but you would receive a reduced monthly benefit. Or you could delay filing up to age 70 to increase your monthly benefit by as much as 80%.



Age retirement benefits start

Source: "Your Social Security Statement," Social Security Form SSA-7005-SM-OL (06/22). The chart represents the monthly benefit amount for a hypothetical worker currently earning \$54,000 and whose full retirement age is 67.

## What does Social Security offer?

### Guaranteed lifetime income

Social Security is an important component of your retirement income. It offers guaranteed lifetime income that is based on your (or your spouse's) wages during your working years.

### Indexed to inflation

Unlike some pensions, Social Security benefit amounts are indexed to inflation to preserve your purchasing power.

### Survivor benefits

The program also offers survivor benefits similar to an annuity. If you are the high-income earner in your household, your benefit is going to become your spouse's survivor benefit when you're gone.

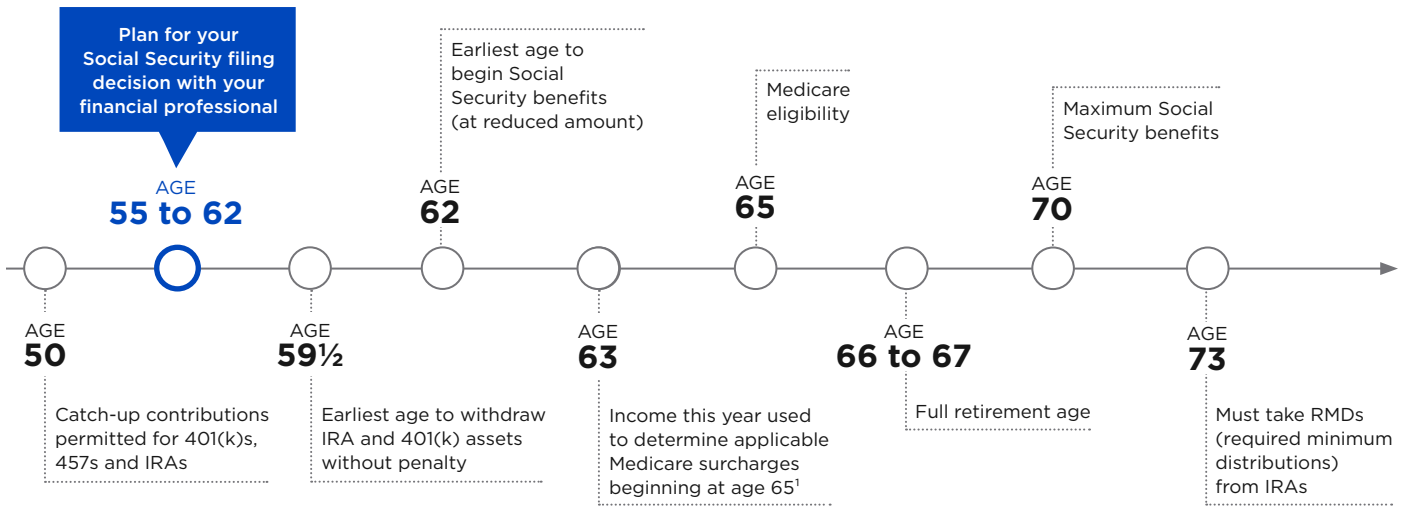
### Preferential tax treatment

Benefits receive preferential tax treatment compared with ordinary income. A portion of Social Security income will always be tax free, while income from employment, pensions and retirement plan withdrawals are, for the most part, fully taxed at your ordinary income tax rate.

# Your Social Security timeline

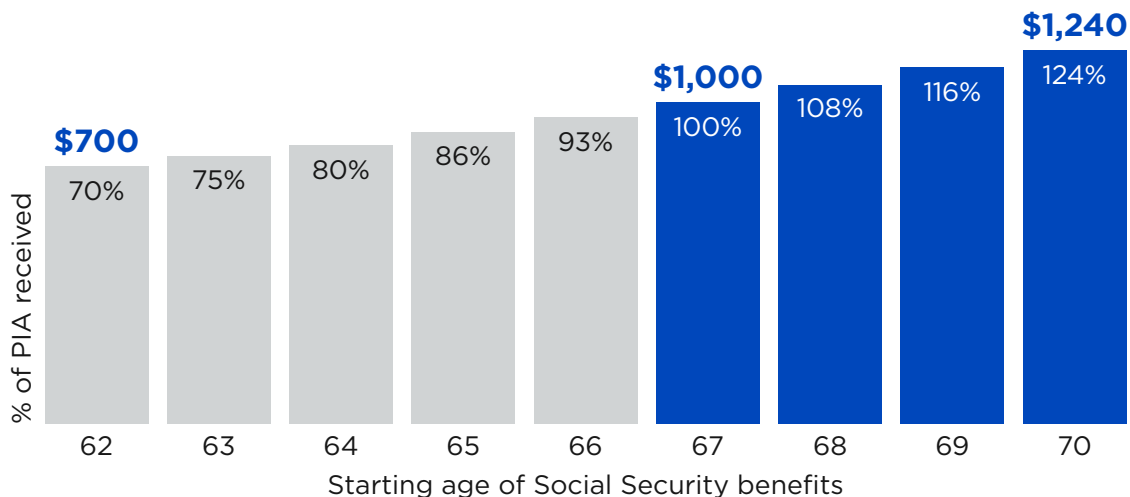
So many decisions need to be made regarding retirement, and choosing when to file for Social Security benefits may be one of the most consequential. The decision you make is usually permanent, which makes it important to figure out how to get the most out of it.

## Are you on track for your Social Security decision?



## When should you claim your benefits?

Early filing can occur starting at age 62 and go until your full retirement age (FRA). Or you can delay filing beyond your FRA up to age 70 in order to increase your benefit amount. This chart shows an example of someone whose primary insurance amount (PIA) is \$1,000 and whose FRA is 67. You can see that the longer they delay claiming, the bigger their benefit will be.



Source: "When to Start Receiving Retirement Benefits," Social Security Administration Publication No. 05-10147 (January 2023).

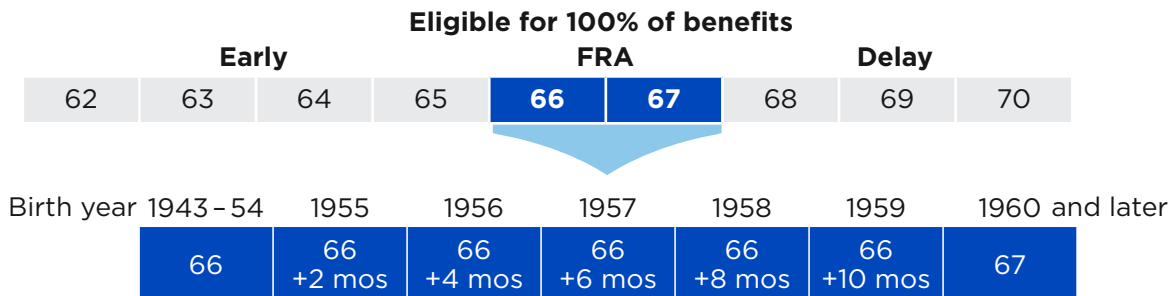
<sup>1</sup> "2023 Medicare Costs," medicare.gov (2023).

## 2 important terms to know

Everyone's Social Security benefit is unique to them because it is determined by the wages they earned during their working years. This page explains the terms behind the math that determines your benefit.

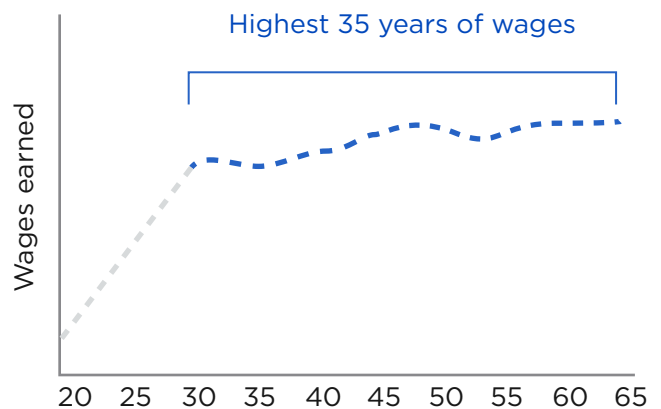
### What is your full retirement age (FRA)?

This is the age when you can begin receiving 100% of the monthly Social Security benefit you are eligible for. For a long time, FRA was age 65 for everyone, but it is now gradually increasing to 67 for those born in 1943 or later.



### What is your primary insurance amount (PIA)?

This is the monthly benefit you are eligible for at your full retirement age. The Social Security Administration calculates your PIA for you by averaging your 35 highest-paying years of wages, and then multiplying that average by a percentage. The percentage will be lower for higher earners, and higher for lower earners — meaning that the program uses a progressive scale by which lower-paid workers receive greater benefits relative to what they paid into the system.



## The bottom line: Your benefit will be less than your working wage

Social Security was designed to be a complement to other retirement savings; it was never intended to be the only source of retirement income. Your financial professional can help you understand and solve for the income gap between your Social Security benefit and your retirement income needs.

## Did you know?

Social Security offers benefits uniquely customized for you and your family. Whether you're single, married, divorced or a widow/widower, your marital status could affect the benefit you are eligible for. Your children may qualify for benefits, too, depending on the circumstances. Financial professionals trained in Social Security planning can help optimize these benefits.

## Eligibility based on marital status

### Benefits for single people

If you're single, not eligible for survivor or divorcée benefits, and have a typical life expectancy, filing later may be in your best interest. Waiting to claim Social Security would not only increase your monthly benefit, it could also increase your cumulative benefit.

### Benefits for married people

You are eligible for benefits based on your spouse's earnings record, and that benefit is up to 50% of your spouse's PIA. If you're a nonworking spouse, these benefits may represent significant dollars. But if you have a work history that would allow you to claim your own benefits, you'll want to compare that with the spousal benefit. Is half of your spouse's PIA greater than your entire PIA?

### Benefits for surviving spouses

A surviving spouse is eligible based on the deceased spouse's record. It may be possible to collect your widow benefit before your own FRA, then switch to your own benefit if it is higher.

### Benefits for divorced individuals

If you're divorced, you may be eligible for benefits based on your ex-spouse's record. However, you must have been married for at least 10 years, and you must be currently unmarried.

## Other eligible claimants

### Dependent children

If the parent is collecting benefits and the child is under 18 and unmarried, the child may be eligible for benefits based on their parent's record. Children can also collect if the parent dies before age 62, providing the parent had certain work history requirements. And if a child is disabled before age 22, they can collect benefits beyond age 18.

### Disabled adults

If an individual has a qualifying medical condition and required work history, they may be eligible for Social Security benefits. That person's spouse and dependent children may also qualify. When the disabled individual passes away, the surviving spouse can apply for survivor benefits.

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With more than 2,700 rules governing how benefits are paid out, the Social Security program can be complex. Working with a financial professional can give you confidence that your filing decision is the right one.

# Let's get started



## Log in

to "my Social Security" at [ssa.gov](https://ssa.gov).

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## Download

your Social Security statement  
with your full earnings record.

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## Schedule time

with your financial professional  
to plan your choice of a lifetime.



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This material is not a recommendation to buy or sell a financial product or to adopt an investment strategy. Investors should discuss their specific situation with their financial professional.

This material should be regarded as educational information on Social Security and is not intended to provide specific advice. If you have questions regarding your particular situation, you should contact the Social Security Administration and/or your legal or tax advisors.

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