

Nationwide Retirement Institute®

Social Security facts and benefit information

2023 Social Security facts¹

8.7% Cost-of-living adjustment (COLA)

Provides inflation protection for benefits based on the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

\$160,200 Maximum taxable earnings

Maximum amount of earnings that is taxed for Social Security.

Earning Social Security credits

Amount of 2023 net income needed to earn work credits.

\$1,640 for one Social Security work credit

\$6,560 for maximum four credits per year

40 total credits needed to qualify for full Social Security benefits.

Earnings test exempt amount

Amount you can earn and still receive full monthly benefit. No earnings limit if at or beyond full retirement age.

\$21,240 Under full retirement age (\$1,770/mo)

\$56,520 Year of full retirement age (\$4,710/mo)

Eligibility requirements

Retired worker

Fully insured (40 earned credits), attained age 62, filed an application.

Spousal benefit (married at least one year)

Be the spouse of the worker entitled to retirement insurance benefit (RIB) or disability insurance benefit, attained age 62, filed an application, claimant must not be entitled to a RIB based on a primary insurance amount, which is greater than or equal to half the primary insurance amount of the worker.

Divorced spouse benefit

(been divorced two years or less; married totaling 10 years)

Be the divorced spouse of the worker entitled to retirement insurance benefit (RIB) or disability insurance benefit, attained age 62, filed an application, not currently married, claimant must not be entitled to a RIB based on a primary insurance amount greater than or equal to half the primary insurance amount of the worker.

FICA and SECA tax rates

FICA and SECA taxes are used to fund Social Security and Medicare. FICA taxes are withheld from employee earnings and matched by employers. SECA taxes are withheld from those who are self-employed.

Federal Insurance Contributions Act (FICA) tax rates:

6.2% employee for Social Security

1.45% employee for Medicare

6.2% employer for Social Security

1.45% employer for Medicare

15.3% total (7.65% per individual)

Self-Employed Contributions Act (SECA) tax rates:

12.4% self-employed for Social Security

2.9% self-employed for Medicare

15.3% total

*There is an additional 0.9% Medicare surtax on wages for individuals with annual earnings above \$200,000 and couples above \$250,000

Independently entitled divorced spouse

(divorced at least two continuous years; married totaling 10 years)

Be the divorced spouse of a fully insured worker who is at least age 62 and who has attained age 62 themselves, has filed an application, is not currently married and must not be entitled to a retirement insurance benefit based on a primary insurance amount greater than or equal to half the primary insurance amount of the worker.

Widow (survivor) benefit (married at least nine months)

Be the widow of a worker who died fully insured, attained age 60, be unmarried unless you remarried after reaching age 60, filed an application, not be entitled to retirement insurance benefit greater than or equal to the deceased worker's primary insurance amount, proof of worker's death.

Surviving divorced spouse

Be the surviving divorced spouse of a worker who died fully insured, attained age 60, be unmarried unless you remarried after reaching age 60, filed an application, not be entitled to retirement insurance benefit greater than or equal to the deceased worker's primary insurance amount, proof of worker's death.

¹ Social Security Administration, Fact Sheet, 2023.

Filing options

Married/Divorced

- **People born on or before Jan. 1, 1954** may restrict an application to only spousal benefits, while delaying receipt of their retirement benefits and collecting an 8% per-year delayed retirement credit
- **People born Jan. 2, 1954 and later** should focus on whether to file early or file late while considering the implications of the decision on your future benefits and for a surviving spouse

Widow options

if the deceased filed:

- **Prior to full retirement age:** maximum widow benefit equals the larger of deceased reduced benefit or 82.5% of deceased primary insurance amount
- **After full retirement age:** maximum widow benefit equals the deceased benefit, including delayed retirement credits

Widow options

if the deceased did not file and:

- **Died prior to full retirement age:** maximum widow benefit equals the primary insurance amount of the deceased
- **Died after full retirement age:** maximum widow benefit equals the deceased benefit as if deceased elected on date of death, including delayed retirement credits

Age/year impact on benefits

Full retirement benefits

Birth year	Full retirement age
1937 or earlier	65
1938	65 yrs 2 mos
1939	65 yrs 4 mos
1940	65 yrs 6 mos
1941	65 yrs 8 mos
1942	65 yrs 10 mos
1943-1954	66
1955	66 yrs 2 mos
1956	66 yrs 4 mos
1957	66 yrs 6 mos
1958	66 yrs 8 mos
1959	66 yrs 10 mos
1960 or later	67

Widow at full retirement age

Date of birth	Full retirement age
Through 1/1/40	65
1/2/40 - 1/1/41	65 yrs 2 mos
1/2/41 - 1/1/42	65 yrs 4 mos
1/2/42 - 1/1/43	65 yrs 6 mos
1/2/43 - 1/1/44	65 yrs 8 mos
1/2/44 - 1/1/45	65 yrs 10 mos
1/2/45 - 1/1/57	66
1/2/57 - 1/1/58	66 yrs 2 mos
1/2/58 - 1/1/59	66 yrs 4 mos
1/2/59 - 1/1/60	66 yrs 6 mos
1/2/60 - 1/1/61	66 yrs 8 mos
1/2/61 - 1/1/62	66 yrs 10 mos
1/2/62 or later	67

Reduction/credit by election age (Born between 1943-1954)

Age	Worker	Spouse
62	75%	70%
63	80%	75%
64	86.66%	83.33%
65	93.33%	91.67%
66	100%	100%
67	108%	100%
68	116%	100%
69	124%	100%
70	132%	100%

Benefit reduction calculations

Reduction percentage	First 36 months	37 months and beyond
Spousal	25/36 of 1%/month	5/12 of 1%/month
Retirement	5/9 of 1%/month	5/12 of 1%/month



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