

Is Your Social Security Payment Accurate?



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Even the Social Security Administration (SSA) can make a mistake. Consider the case of a couple, the man currently age 73 and the wife age 69. The two began receiving Social Security benefits at about the same time, the man at age 66, at that time Social Security's "full retirement age," the wife, at age 63 and 6 months. The husband's benefit is substantial, nearly the maximum; the wife's benefit, considerably smaller.

Under Social Security provisions, a spouse qualifying for a retirement benefit is entitled to at least half that of the other spouse's full-retirement-age benefit. For example, if one spouse is receiving \$2,500 monthly, the other spouse is entitled to \$1,250 — or his or her own benefit if larger. In this case, the wife's benefit was more than \$300 less than half her husband's.

The husband believed the wife was not receiving all of the spousal benefits she was eligible for. He understood that because she began benefits before age 66 they would be reduced, but he felt the reduction was more than it was supposed to be. He was correct. Social Security had missed the connection. A conversation with an Social Security Administration representative confirmed the oversight and the wife will be paid the difference back to her filing date — in this case, 87 months of more than \$300 a month in a lump sum, as well as the additional amount monthly going forward.

It is uncommon for the Social Security Administration to not tie together the social security numbers of married individuals and coordinate the correct spousal benefits. And the process to correct the mistake was handled efficiently. As the clients' advisor I made the first call to the SSA. The SS representative I talked with recognized the oversight and scheduled an appointment for the wife.

While errors of this kind are rare, it is important to check the mathematics and confirm the amounts on your social security checks are accurate.

SOCIAL SECURITY FACTS OF INTEREST

- The maximum monthly Social Security benefit at full or normal retirement age is \$3,627 for 2023¹, payable to those with the maximum taxable earnings for at least 35 working years.
- The current full benefit age is 66 years, gradually rising to age 67 for those born in 1960 or later. Early benefits remain available at age 62, but your benefits are reduced by a fraction of a percent for each month before your reach full retirement age².

1 – “What is the maximum Social Security retirement benefit payable?”, Social Security Administration, <https://faq.ssa.gov/en-us/Topic/article/KA-01897>, March 9, 2023

2 – “Starting Your Retirement Benefits Early.”, Social Security Administration, <https://www.ssa.gov/benefits/retirement/planner/agereduction.html>, March 9, 2023

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