CLAIMING SOCIAL SECURITY: HELPFUL TIPS

Choosing when to start claiming Social Security benefits is an important decision, with pluses and minuses for every option. This guide will help you make a more informed decision.

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TIPS FOR COUPLES

If you and your spouse have similar incomes and ages, waiting to start claiming Social Security could maximize your lifetime benefits.

- The longer you defer your benefits, the more you can receive.
- Each year you delay Social Security, from age 62 (the earliest age to start claiming) to age 70 (the latest age you can claim to receive your maximum benefit), could increase your benefit by up to 8% if your Full Retirement Age is 67.

If you're both planning on a shorter retirement period, you may want to consider claiming earlier.

- Generally, one member of a couple would need to live into his or her late 80s before the increased benefits from waiting would offset the benefits lost by claiming early.
- While a couple at age 65 can expect one spouse to live to be 85 (on average), couples who cannot afford to wait—or who have reasons to plan for a shorter retirement—may want to claim early.

Maximize the survivor benefit by claiming later.

- When you pass away, your spouse is eligible to receive your monthly Social Security payment as a survivor benefit if it's higher than his or her own monthly amount.
- If you take benefits before reaching your Full Retirement Age, Social Security will reduce your monthly payments and lock in a permanent reduction of your benefit—which could also limit your partner's survivor benefits.
- If you delay claiming until your Full Retirement Age or even longer, your benefit will grow—and so could your surviving spouse's benefit.

TIPS FOR SINGLES

Some people want to retire as soon as they can, sometimes for reasons such as health issues. But if you don't need to do that, consider what you may be giving up if you take Social Security early. Taking benefits before your Full Retirement Age can cost you—now and in the future.

- Your Social Security benefit is based on your 35 highest years of earnings. If you stop working full time and leave a job with good pay and benefits, it may be difficult to ever regain that level of compensation if you need to return to work later.
- As you approach retirement, you're often at the peak of your earnings and your ability to build retirement savings. If you keep working, you can make "catch-up" contributions to tax-deferred workplace savings plans.

IF YOU ARE A WIDOW OR A WIDOWER:

You may be eligible to collect your deceased spouse's Social Security payments as a survivor benefit. Here are two strategies worth considering:

- Claim a survivor benefit, then switch to claiming your own benefit later. This may work best if you're under age 70 (because your own benefits will only increase until you're 70) and if you expect a relatively high benefit at Full Retirement Age compared with that of your deceased spouse.
- Claim your own benefit now, then switch to your survivor benefit later. Many retirees are surprised to learn that survivor benefits can increase after a spouse dies, but they do—until you reach Full Retirement Age. This strategy may work best if you haven't reached Full Retirement Age, and expect a lower monthly benefit at Full Retirement Age than that of your deceased spouse.

TIPS FOR CLAIMING SOCIAL SECURITY AND CONTINUING TO WORK

If you plan to take Social Security benefits and continue to work, that might reduce your benefits or cause your Social Security income to be taxed.

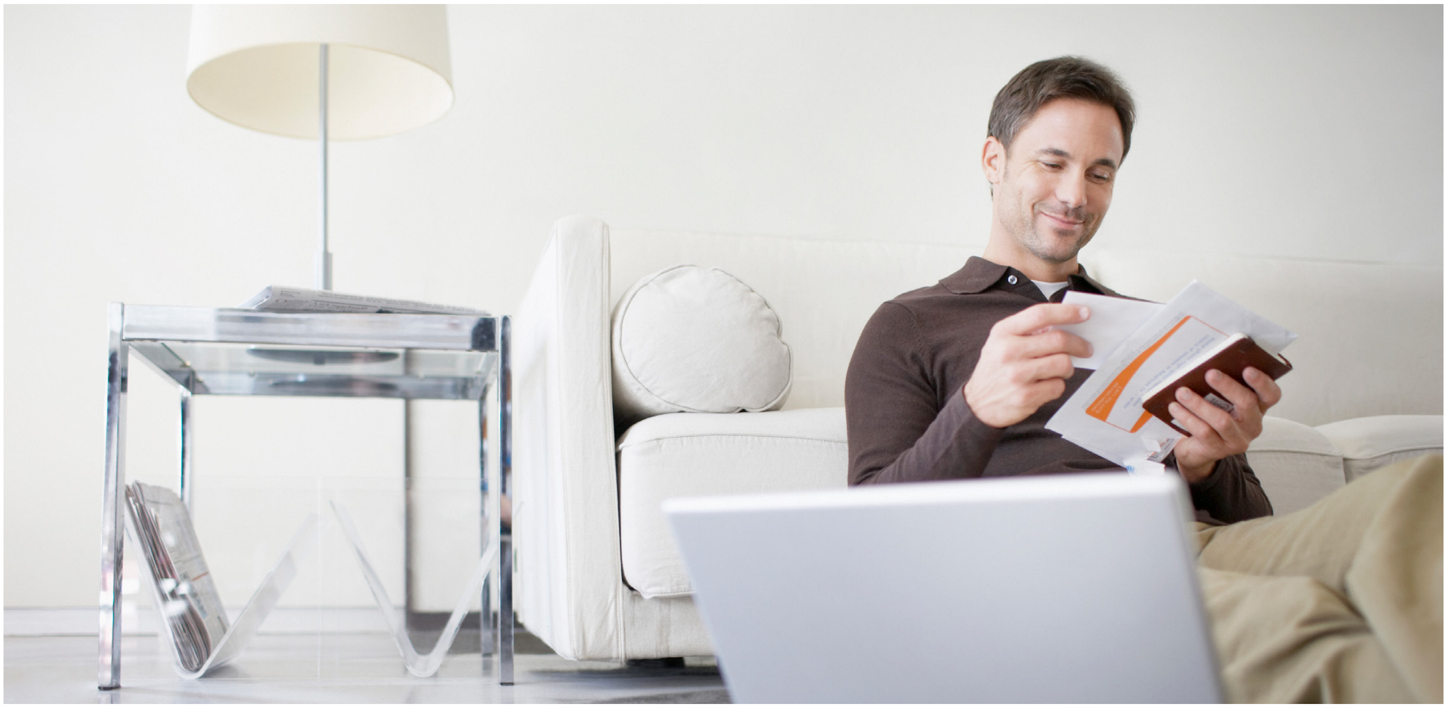
BENEFITS REDUCTION:

- The earliest age at which you're eligible to claim Social Security benefits is 62. If you claim your benefits and continue to work, the Internal Revenue Service imposes earnings restrictions until you reach your Full Retirement Age.
- If you claim your Social Security benefit before you reach Full Retirement Age, and have earned income in excess of what the IRS allows, your benefits will be reduced by $1 for every $2 of earned income over the limit.
- The year you reach Full Retirement Age, the limit for earned income rises. This means for every $3 earned over the IRS limit, your benefit will be reduced by $1 until the month you reach your Full Retirement Age. After that, there are no earnings limits and no benefit reductions based on your earned income.

TAX EFFECTS:

- Social Security benefits are subject to federal income taxes above certain levels of "combined income."
- Combined income is the total amount of your adjusted gross income (AGI) plus your nontaxable interest and one-half of your Social Security benefits.
- If your combined income exceeds a certain level, your Social Security benefits could be subject to federal income taxes. These range from 50% to 85% of your Social Security benefit, depending on the actual amount of your combined income.

RESOURCE LIST



To help you get started, here's a list of interactive tools and resources.

1. **ARE YOU ON TRACK TO RETIRE?**
   View recommended retirement savings milestones and compare them to where you are now.
   Fidelity.com/decisiontoretire

2. **PREPARING FOR RETIREMENT?**
   Visit Fidelity's Planning & Guidance Center to create a plan to help you get and stay on track.
   NetBenefits.fidelity.com/planningcenter

3. **RETIREMENT PLANNING RESOURCES**
   View articles and tools to help you prepare for retirement on your terms.
   NetBenefits.com > Library > Retirement Planning

4. **WHEN SHOULD YOU CLAIM SOCIAL SECURITY?**
   See an example of how you can get the most for your retirement years.
   Fidelity.com/whentoclaimSS

5. **DISCOVER MORE WORKSHOPS**
   Learn how to make confident financial decisions for your future.
   NetBenefits.fidelity.com/workshopregistration

6. **SOCIAL SECURITY ADMINISTRATION**
   Browse the official website of the U.S. Social Security Administration.
   SSA.gov

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