

## Important Facts About Social Security Retirement Benefits

### Here Are Some Important Facts About Social Security Retirement Benefits:

- The Social Security Normal Retirement Age, currently age 66 for those people born between 1943 and 1954, is gradually **increasing** to age 67 for persons born after 1954.
- Early retirement results in a **permanent** reduction in the Social Security retirement benefit. **For example, the Social Security retirement benefit of a worker born between 1943 and 1954 who retires early at age 62 will be reduced by 25%.**
- According to the Social Security Administration:
  - The **maximum** Social Security retirement benefit for a worker retiring at full retirement age in 2009 is \$2,323 monthly.
  - The **average** Social Security benefit for all retired workers in 2009 is \$1,153.
- The Social Security spousal retirement benefit is limited to a **maximum** of 50% of the retired worker's benefit. **The spousal retirement benefit is reduced if the worker retires before his or her full retirement age.**
- How much do you want to rely on a source of retirement income over which you have no control? Consider this quote from a *Time* magazine article titled "Social Insecurity":

"For government to pay pensions to the advancing tide of baby boomers will almost certainly require stunning benefit reductions or huge tax increases. Most likely both. After years of fiscal and political fecklessness, an explosive conclusion."

**Question:** When was this article published?

**Answer:** March 12, 1995, although the same statement could easily apply today, in the absence of any reform to the Social Security system.