

# When Should You Take Social Security

The Social Security program allows you to start receiving benefits as soon as you reach age 62. The question is, should you?

Monthly payments differ substantially depending on when you start receiving benefits. The longer you wait (up to age 70), the larger each monthly check will be. The sooner you start receiving benefits, the smaller the check.

From the Social Security Administration's point of view, it's simple: if a person lives to the average life expectancy, the person will eventually receive roughly the same amount in lifetime benefits, no matter when they choose to start receiving them. In actual practice, it's not quite that straightforward, but the principle holds.

The key phrase is "if the person lives to average life expectancy." If a person exceeds the average life expectancy and has opted to wait to receive benefits, they will start to accumulate more from Social Security.

The chart shows how Social Security benefits accumulate for individuals who started to receive at ages 62, 67, and 70. The person who started to receive benefits at age 62 would accumulate \$384,451 by the age of 85. Conversely, the person who started to receive benefits at age 70 would accumulate \$454,019 by the age of 85. The example assumes a retirement benefit of \$1,907 at age 67. It does not assume COLA.

Source: Social Security Administration, 2024

There is no single "right" answer to the question of when to start benefits. Many base their decision on family considerations, economic circumstances, and personal preferences.

If you have a spouse, the decision about when to start benefits gets more complicated – particularly if one person's earnings are considerably higher than the other's. The timing of spousal benefits should be factored into your decision.

When considering at what age to start Social Security benefits, it may be a good idea to review all the assets you have gathered for retirement. Some may want the money sooner based on how assets are positioned, while others may benefit by waiting. So, as you near a decision point, it may be best to consider all your options before moving forward.

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