

SOCIAL SECURITY FOR DIVORCEES

Divorce can raise an array of thorny financial issues. One important concern is how it may affect your Social Security benefits. The answer is: it depends. You can learn the best way to maximize your benefits with our Social Security Benefits Calculator at www.aarp.org/socialsecuritybenefits. Let's take a look at how divorce factors in.

A QUICK SOCIAL SECURITY PRIMER

Let's hit the basics of Social Security first:

- You can collect your full Social Security retirement benefit between age 66 and 67, depending on your birth year.
- You can start collecting at age 62, but your monthly benefit is permanently reduced.
- You can delay collecting (to age 70) to increase your monthly benefit.
- Social Security provides benefits for spouses and widows of workers. When you claim benefits, Social Security will compare your benefit with the benefit you are eligible for as a spouse, ex-spouse or survivor and give you the larger of the two amounts.
- Spousal and survivor benefits are maximized at full retirement age.

THE IMPACT OF DIVORCE

One issue with divorce and Social Security is its impact on spousal benefits. If your marriage lasted at least 10 years, you are still eligible for the spousal benefit if your own retired worker benefit would be less. Here's an example:

Your ex-spouse's retirement benefit:	\$2,000 a month
Your own retirement benefit:	\$900 a month
Spousal benefit:	\$1,000 a month (half of your spouse's benefit)

In this case, you could take the spousal benefit of \$1,000. The 10-year rule doesn't apply if you're a survivor caring for a child under age 16 or a disabled child who's receiving benefits based on your deceased ex's work record. However, the child has to be your deceased ex-spouse's natural or legally adopted child in order for the rule to be waived.

HOW REMARRYING AFFECTS YOUR EX-SPOUSAL BENEFIT

You can receive a spousal benefit if your ex remarries; but if you remarry you may not be eligible for a benefit from your ex-spouse, though you can become eligible for a benefit on your new spouse's record. However, if your later marriage ends in death, divorce or annulment, you may again be eligible for a spousal benefit based on your ex's work record.

WHEN YOU CAN CLAIM YOUR BENEFIT

In order to claim a divorced spousal or survivor benefit, your ex-spouse must be at least 62. If you are recently divorced and your ex-spouse has not applied for benefits yet, you'll need to wait two years after your divorce to file. There's no waiting period if your ex-spouse has already applied.

You'll need to wait until you're 62 to claim the spousal benefit, but there's good reason to hold off. The longer you wait (up to full retirement age), the higher your monthly benefit will be. Maximizing your monthly income is important, especially if you're divorced. Claiming at 62 will reduce your benefit by as much as 30% from the amount you would receive at full retirement age. Your benefits will increase for each month you delay benefits past 62.

SURVIVOR BENEFIT

You're also eligible for Social Security's survivor benefit based on your ex-spouse's work record if your marriage lasted 10 or more years. This benefit will be based on 100% of the benefit your ex-spouse was collecting or his or her full retirement benefit if claiming had not begun. Like retirement and spousal benefits, survivor benefits are also reduced if claimed early.

You can collect the survivor benefit at age 60 (50 if you're disabled). But if you remarry before you turn 60 (50 if you're disabled), you won't be eligible as long as that marriage remains in effect. If you remarry after age 60 (50 if you're disabled), you'll be able to continue receiving the survivor benefit based on your deceased ex's work record. But if your current spouse is a Social Security beneficiary, check into whether a spousal benefit on his or her work record would mean a higher benefit to you.

TAKE ACTION!

- Head over to www.aarp.org/socialsecurity for more information about Social Security and claiming strategies. Use AARP's Social Security Benefits Calculator at www.aarp.org/socialsecuritybenefits for guidance on when to claim benefits.
- Think carefully about the age at which you begin to collect your benefits, given the important role Social Security is likely to play in your monthly income during retirement.
- Plan for your retirement, estimate your benefits and more with a my Social Security account, available online at www.ssa.gov.

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D20393