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IRAs & Qualified Plans

Contribution Limits	
IRA or Roth IRA contribution limit	$7,500
IRA or Roth IRA catch-up (age 50 or older)	$1,100
Traditional IRA deduction phaseout	
Participants in a retirement plan	
Single	$81,000 - $91,000
Married filing jointly	$129,000 - $149,000
Married filing separately	$0 - $10,000
Spousal IRA	$242,000 - $252,000
Roth IRA phaseout	
Single	$153,000 - $168,000
Married filing jointly	$242,000 - $252,000
Qualified Plans	
Elective deferrals to 401(k), 403(b), 457, and SARSEPs	$24,500
Catch-up contribution (age 50+)	$8,000
Special Catch-up contribution (age 60-63)	$11,250
Defined contribution plan limit (Section 415(c)(1)(A))	$72,000
Defined benefit plan limit (Section 415(b)(1)(A))	$290,000

Simple IRA & SEP IRA

SEP IRA contribution limit	Lesser of $72,000 or 25% of compensation
SIMPLE Plan contribution limit	$17,000
Catch-up contribution (age 50+)	$4,000
Special Catch-up contribution (age 60-63)	$5,250
Maximum compensation limit for retirement plans	$360,000
Key employee (top-heavy plans)	Above $235,000
Highly compensated employee	$160,000

Health Savings Account

Minimum Deductible Amount	
Single	$1,700
Family	$3,400
Maximum Out-of-Pocket Amount	
Single	$8,500
Family	$17,000
Contribution Limit	
Single	$4,400
Family	$8,750
Catch-up contribution (age 55+)	$1,000

Education

Coverdell Education Savings Accounts	
Contribution limit	$2,000
Single phaseout	$95,000 - $110,000
Married filing jointly phaseout	$190,000 - $220,000
Lifetime Learning Credit - 20% of qualified expenses	
Expense limit	$10,000
Single phaseout	$80,000 - $90,000
Married filing jointly phaseout	$160,000 - $180,000
529 Plans	

Eligible for college, apprenticeship, and trade school expenses, and up to $20,000/year for private K-12 tuition. A lifetime limit of $10,000 each can be used to repay the student loans of the beneficiary and each of his/her siblings.

Capital Gains & Qualified Dividends

For 2026, rates are applied to taxable income levels:

Tax Rate	Single	Married Filing Jointly	Trusts & Estates
0%	$49,450 or less	$98,900 or less	$3,300 or less
15%	$49,451-$545,500	$98,901-$613,700	$3,301-$16,250
20%	Above $545,500	Above $613,700	Above $16,250
(Short-term capital gains are taxed at income tax rates)			
Medicare contribution tax on investment income*:			3.8%

*Tax is applied to the lower of net investment income or modified adjusted gross income over certain thresholds ($250,000 joint filers/$200,000 single/$16,000 Trusts and Estates).

Income Tax Rate Schedules

If Taxable Income Is:	Then the Gross Tax Payable Is:		
	Amount	Plus (%)	Of the amount over
Single Taxpayers			
$12,400 or less	10% of taxable income		
$12,401-$50,400	$1,240	12%	$12,400
$50,401-$105,700	$5,800	22%	$50,400
$105,701-$201,775	$17,966	24%	$105,700
$201,776-$256,225	$41,024	32%	$201,775
$256,226-$640,600	$58,448	35%	$256,225
Above $640,600	$192,979.25	37%	$640,600
Married Filing Jointly			
$24,800 or less	10% of taxable income		
$24,801-$100,800	$2,480	12%	$24,800
$100,801-$211,400	$11,600	22%	$100,800
$211,401-$403,550	$35,932	24%	$211,400
$403,551-$512,450	$82,048	32%	$403,550
$512,451-$768,700	$116,896	35%	$512,450
Above $768,700	$206,583.50	37%	$768,700

The income tax brackets for Married Filing Separately are half of the amounts for Married Filing Jointly. The brackets for Heads of Households generally fall between the brackets for single and joint filers.

Trusts & Estates			
$3,300 or less	10% of taxable income		
$3,301-$11,700	$330	24%	$3,300
$11,701-$16,000	$2,346	35%	$11,700
Above $16,000	$3,851	37%	$16,000

Kiddie tax: In 2026, the parent's marginal tax rate is used for a dependent child's unearned income over their deduction amount.

Income Tax Deductions and Credits

Single	$16,100
Married filing jointly	$32,200
Head of household	$24,150
Married filing separately	$16,100
Child Tax Credit	
Qualifying Child (Children under age 17)	$2,200
Dependents not eligible for Qualifying Child	$500
Single phase out begins at	$200,000
Married filing jointly phase out begins at	$400,000
Elderly (over age 65) or blind additional deduction	
Single	$2,050
Married	$1,650
Senior Personal Exemption (age 65+) (Subject to AGI phaseout $75,000 Single/ $150,000 Married Filing Jointly)	$6,000

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Estate & Gift Tax

Individual estate tax exclusion (Federal) (Any unused amount can transfer to a surviving spouse)	$15,000,000
Maximum estate tax rate	40%
Gift tax exclusion	$15,000,000
Generation-skipping exclusion	$15,000,000
Annual gift tax exclusion (per recipient)	$19,000
Lump sum accelerated gift to a 529 plan (5-year rule)	$95,000
Qualified Charitable Distribution	$111,000

States with an estate tax and/or inheritance tax: CT, DC, HI, IL, KY, MA, MD, ME, MN, NE, NJ, NY, OR, PA, RI, VT, and WA

Alternative Minimum Tax (AMT)

Status	Exemption	Phaseout
Single	$90,100	$500,000
Married filing jointly	$140,200	$1,000,000

Alternative Minimum Tax Rates	
26% up to $244,500 of AMT base	
28% over $244,500 of AMT base	

Social Security

Social Security wage base	**$184,500**
Social Security cost-of-living adjustment	2.8%
Quarter of coverage (earnings for Social Security)	$1,890
Maximum benefit (worker retiring at FRA)	$4,152
Estimated average monthly benefit (retired worker)	$2,071

Social Security benefits are reduced if someone receives benefits and continues to work. The benefit is reduced $1 for every $2 or $3 earned above $24,480 ($2,040/mo) in years prior to FRA and $65,160 ($5,430/mo) in the year FRA is reached, respectively. There is no reduction at FRA.

Businesses/Business Owners

For 2026, net business income is taxed at the following rates:

Corporations (C-Corps and similarly treated LLCs)	
Corporate income tax rate:	21%**
Accumulated Earnings tax rate (plus interest):	20%*

Dividends paid to shareholders are taxable to them at ordinary income or capital gains tax rate(s), depending on the type of dividend.
*On retained earnings in excess of $250,000 ($150,000 for personal service corps.), except if to meet reasonable business needs.
**Large corporations (income >$1Billion) subject to new CAMT rate of 15%.

Pass Through Entities (Sole Props, Partnerships, S-Corps, and similarly treated LLCs)	
Net business income is reported by the owner(s) and is taxed at his/her tax rates	
Self-Employment Tax on wages, tips and net earnings	
Medicare Tax (on total amount)*:	2.9%
Social Security Tax (on the first $184,500):	12.4%
Deduction for qualified business income**:	20.0%

*An Additional Medicare Tax of 0.9% is applied to amounts over certain thresholds ($250,000 joint filers/$200,000 single filer).

**The deduction is limited to the lesser of 20% of QBI or 20% of the owner's taxable income. Subject to phase out depending on the type of services provided if income is over $403,500 (joint) or $201,750 (single) as of 2026.
Beginning in 2026, a minimum $400 QBI deduction applies to businesses with income of $1,000.

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Important Dates & Deadlines

Deadlines for Traditional IRAs, Roth IRAs, and SEP IRAs	
2025 Contributions	April 15, 2026
2026 Contributions	April 15, 2027
2026 Roth IRA Conversions	December 31, 2026

Required Minimum Distributions (RMDs)

New RMD age of 73 applies to all individuals as of 2023

Age of IRA holder:	First RMD Deadline:
Turned 73 in 2026	April 1, 2027*

*Subsequent RMDs must be taken by December 31 of each year.

2025 Tax Form Mailing Deadlines for Custodians	
Form 1099-R (Retirement Account Distributions)	February 2, 2026
Consolidated Form 1099s (Taxable Accounts)	February 17, 2026*
*Extended deadline for accounts holding certain securities (REITs, WHFITs, CMOs)	March 16, 2026
Form 5498 (Retirement Account Contributions)	June 1, 2026

2026 Estimated Tax Payments

For the period	Due date
January 1 - March 31	April 15, 2026
April 1 - May 31	June 15, 2026
June 1 - August 31	September 15, 2026
September 1 - December 31	January 15, 2027

One Big Beautiful Bill Act H.R. 1 (July 2025)

Enacted in July 2025, the One Big Beautiful Bill Act (OBBBA) builds on the foundation of the Tax Cuts and Jobs Act (TCJA) with several new provisions retroactive to 2025. More than a simple extension of the TCJA, OBBBA introduces many changes across individual, corporate, and estate tax systems, signaling a new era of tax policy.

Provisions Retroactive to 2025:

- **Tax Brackets:** Permanently extends income tax rates of 10%, 12%, 22%, 24%, 32%, 35% and 37% for individuals.
- **Standard Deduction:** Slight increase for 2025 and made permanent.
- **Personal Exemption:** Permanently repealed. Temporary $6,000 exemption for seniors 65+ (subject to phaseouts) available from 2025-2028 and intended to offset taxation of Social Security income.
- **Child Tax Credit:** Retroactively increased to $2,200 for 2025 (previously set to drop to $1,000), with future years indexed for inflation.
- **SALT Deduction (2025-2029):** Temporarily increased to $40,000 ($20,000 Married Filing Separately) with a $10,000 minimum SALT deduction based on MAGI phaseout $500,000-$600,000 per household ($250,000-$300,000 Married Filing Separately)
- **Auto Loan Interest (2025-2028):** Applies to first-lien personal vehicles (including refinances) assembled in the USA, subject to phaseouts.
- **No Tax on Tips (2025-2028):** Applies to select industries and is subject to phaseout. Provides a maximum deduction of $25,000 for all filing statuses (except married filing separately, which is excluded).
- **No Tax on Overtime (2025-2028):** Maximum deduction of $25,000 (Married Filing Jointly) or $12,500 (all other filers), subject to phaseout.

Provisions Beginning 2026

- Estate & Gift Tax Exemption increased to $15,000,000 per person.
- New itemized deduction limitation for those in the 37% marginal bracket.
- 0.5% AGI floor for individuals claiming charitable deductions.
- $1,000 charitable deduction for non-itemizers.
- Gambling loss deduction limited to 90% of gambling winnings.
- Minor expansion of 529s, ABLEs, HSA eligible expenses.
- Enhancement of Child and Dependent Care Tax Credit.
- Reinstated itemized deduction for mortgage insurance premiums.

Recently Expired Tax Provisions and Considerations

- Clean vehicle tax credit ended 09/30/2025.
- Residential energy tax credits ended 12/31/2025.

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Medicare is a government-run health insurance system for Americans over 65 years old or disabled. The system is funded through employee and employer payroll contributions and provides coverage for portions of certain health care costs, depending on level of coverage selected.

For most people, Medicare Part B premiums increased by approximately 10.26% from 2025 and Part D premiums have increased by 6.38% from 2025.

Medicare coverage is split into four Parts:

Part A (Hospital Insurance)

Covers inpatient hospital care, skilled nursing facility, hospice, lab tests, surgery, home health care

Monthly Premium*:	$0.00
First 60 days of hospitalization - patient pays a deductible	$1,736
Next 30 days - patient pays	$434 per day
Next 60 days (lifetime reserve days)	$868 per day
Skilled Nursing Facility:	
First 20 days - patient pays	$0.00
Next 80 days - patient pays	$217.00 per day
Over 100 days - patient pays	All costs

*Most individuals over age 65 receive Part A free ("premium-free Part A") as a result of paying Medicare taxes while working. For those who have not sufficiently paid Medicare taxes (rare), you can buy Medicare Part A and pay a premium of either $311 or $565 per month.

Part B (Medical Insurance)

Doctor and other health care providers' services, home and outpatient care, durable medical equipment, ambulance services, and some preventive services

Premium Rates*	**If your 2024 income was****	
	Single	**Married Filing Jointly**
$202.90	$109,000 or less	$218,000 or less
$284.10	$109,001 - $137,000	$218,001 - $274,000
$405.80	$137,001 - $171,000	$274,001 - $342,000
$527.50	$171,001 - $205,000	$342,001 - $410,000
$649.20	$205,001 - $500,000	$410,001 - $750,000
$689.90	Above $500,000	Above $750,000
Deductible:	$283 per year	
Coinsurance:	20% of amount after deductible	

*Most people will pay this amount; however, a small number of people who pay premiums out of monthly Social Security benefits will pay less than this amount due to Social Security's "Hold Harmless" provision that prevents a decline in Social Security benefits for most people.

**Medicare uses the modified adjusted gross income reported on your 2024 tax return to determine your 2026 premium (the most recent income information provided to Social Security by the IRS). Therefore, if your income has decreased from 2024 to 2025, Medicare premiums can remain higher than expected due to this lag.

Parts A and B do not cover long-term care (aka, custodial care) as well as dental care, eye care, and hearing aids.

Part D (Prescription Standard Benefit Model)

Provided by private insurers. The costs and drugs covered varies by Medicare Prescription Drug Plan

Monthly Premium*:	**Based on prescription drug plan selected**
Initial deductible:	$615 maximum (deductibles vary between plans)
Co-payment or coinsurance on next**	$2,100

Premium Rates Based on Income	**If your 2024 income was**	
	Single	**Married Filing Jointly**
Plan premium	$109,000 or less	$218,000 or less
$14.50 + plan premium	$109,001 - $137,000	$218,001 - $274,000
$37.50 + plan premium	$137,001 - $171,000	$274,001 - $342,000
$60.40 + plan premium	$171,001 - $205,000	$342,001 - $410,000
$83.30 + plan premium	$205,001 - $500,000	$410,001 - $750,000
$91.00+ plan premium	Above $500,000	Above $750,000

*Each prescription drug plan has its own list of covered drugs (referred to as a "formulary"), with drugs assigned to different "tiers". The drugs in lower tiers will generally cost less than drugs in higher tiers.

**Starting in 2025, the Inflation Reduction Act eliminated the old "donut hole" in which people had partial drug cost coverage and places a $2,100 (2026) out-of-pocket cap on prescription drug costs for enrollees. In addition, it caps the price of insulin at $35, and drug price increases at the rate of inflation.

Part C (Medicare Advantage)

Part A and B coverage but through private companies instead of through Medicare. Some companies may offer additional benefits such as prescription drugs, vision, and/or Dental

Part C plans are Medicare approved but administered through private insurance companies.

Monthly premium amounts vary by plan.

Plans, not Medicare, establish the amounts they charge for premiums, deductibles, and services. Amounts can only change once per year, on January 1st.

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Medigap Policies

In addition to the four Medicare Parts above, Medigap insurance is offered by private companies to reimburse individuals for out-of-pocket medical costs resulting from gaps left by traditional Medicare benefits, such as co-payments, coinsurance, and deductibles.

Medigap policies do not provide additional coverage but rather supplement costs of original Medicare benefits.

Medigap policies don't work with Medicare Advantage Plans (Part C). If you decide to have Part A and B coverage, determine if you need Part D, and then consider a Medigap policy. If you decide to gain coverage through a Medicare Advantage Plan, a Medigap policy is unnecessary.

Effective as of 2020, Medigap plans which cover the Part B deductible (i.e., Plans C and F) are no longer allowed and are unavailable to those first eligible for Medicare on or after January 1, 2020. The Plans remain available to those already eligible for Medicare prior to 2020.

Must follow federal and state laws and, in most states, are limited to "standardized" policies.

In order to determine if a Medicap Policy is the right fit, contact your State Health Insurance Assistance Program. Medicare.gov can also be a resource to point you in the right direction.

Medicare Enrollment & Election Periods*

Initial Enrollment Period:	7-month period beginning 3 months prior to the month you turn 65 and ending 3 months after the month you turn 65
Coverage Begins:	
Part A	1st day of your birthday month
Part B & Part D	Varies depending on what month you enroll
General Part A & Part B Enrollment:	January 1st to March 31st
General Part D Enrollment:	April 1st to June 30th
Annual Election/ Open Enrollment:	October 15th to December 7th

***Individuals already collecting Social Security as of 3 months prior to turning 65 will be automatically enrolled in Part A and Part B at 65 unless waived. You still must manually enroll in Part D.**

If an individual misses the Initial Enrollment Period then they can enroll during General Enrollment, but late enrollment penalties may apply which vary for Part A, Part B, and Part D. Under certain circumstances individuals may be eligible for a delayed Special Enrollment Period with no penalties.

Changes to existing Part A, Part B, and Part D Medicare can be made annually during the Annual Election/Open Enrollment Period. Individuals have the option to switch between Part C coverage and original Medicare coverage between January 1st to March 31st of each year.

Planning Considerations & Preparation

Health costs are the 4th largest expense for individuals between 65 -74 years old after housing, transportation, and food. They are the second largest expense for those over 75, after housing.

Traditional Medicare covers only about 60% of medical costs in retirement, with the rest being covered by out-of-pocket spending and private insurance.

Estimated retirement health care costs for a couple (Medicare Part B and Part D premiums, Medigap premiums, and out-of-pocket drug expenses) starting at age 65 in 2024.

Chance of Personal Savings Meeting Total Expenses*	Estimated Amount Needed
50%	$243,000
90%**	$366,000

*Assuming median prescription drug expenses throughout retirement.
**Couples with prescription drugs prices in the 90th percentile would require personal savings of $428,000 based on a 90% chance of meeting total expenses.

Source: Employee Benefit Research Institute

It's important to consider other factors when planning such as increasing life expectancies, personal health variables, and the impact of inflation. Also, Part D, Medicare Advantage Plans, and Medigap policies can vary widely based on state, so it's important to contact a specialist in your area if you have questions.

For more information about Medicare, you can go to medicare.gov or call 800-633-4227 (800-MEDICARE).

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Social Security encompasses retirement benefits, disability benefits, and is intertwined with Medicare benefits. This guide focuses on Social Security retirement benefits, the most common association of the term Social Security. Currently, approximately 67 million people receive Social Security retirement benefits (i.e., Old Age and Survivor Insurance or OASI).

Social Security Employment Tax

Social Security taxes are paid on the first $184,500 of income (2026). While you are working, you and your employer each pay 6.2% (7.65% each including Medicare).

Minimum Eligibility Requirements

In order to qualify for Social Security retirement benefits on your own record, you need to earn a minimum of 40 credits, equivalent to ten years of Social Security-eligible work history. You accrue one credit for each $1,890 in earnings (2026), up to a maximum of four credits per year.

How Benefits Are Calculated

Your Social Security benefit at Full Retirement Age (FRA) is calculated based upon indexed (inflation-adjusted) earnings of your highest 35 years, subject to annual income caps (e.g., $184,500 in 2026). The estimated average monthly Social Security benefit of a retired worker in January 2026 is $2,071 ($24,852/year) after a 2.8% Cost of Living Adjustment (COLA). The average total for couples who are both receiving benefits is $3,208 ($38,496/year). The maximum Social Security benefit for a worker retiring at Full Retirement Age in 2026 is $4,152 ($49,824/year).

How to Find Out Your Own Benefit Information

While the Social Security Administration has stopped physically mailing Social Security statements to all individuals, the Social Security website allows you to obtain your Social Security statement online by signing up for a mySocial Security account or estimate benefits using one of several tools.

MySocialSecurity: www.ssa.gov/myaccount
Tools: www.ssa.gov/planners/calculators

Taxes on Benefits

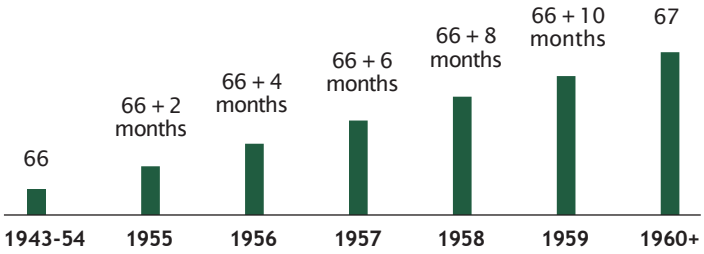
Depending on your income in retirement, a portion of your Social Security benefit payment may be subject to taxes. The table below shows the percentage of your Social Security benefit that could be subject to taxation, depending on income.

% of Social Security Subject to Taxation Based on Income

Single Filer Income	Married Filing Jointly Income	% Subject to Taxation
$0 - $25,000	$0 – $32,000	0%
$25,000 - $34,000	$32,000 - $44,000	50%
$34,000+	$44,000+	85%

Your Full Retirement Age (i.e., the age that you qualify to receive full benefits), depends on the year you were born. The chart below shows the full retirement ages by year of birth.

Full Retirement Age and Birth Year



Early or Delayed Social Security Benefits

You can choose to begin benefits prior to your Full Retirement Age (as early as age 62) and receive a reduced Social Security benefit amount. You can also choose to delay the start of benefits in exchange for a higher benefit amount. For example, taking benefits at age 62 results in monthly benefit payments that are 25% - 30% lower than what they would have been at Full Retirement Age, but allows you to receive benefits 4-5 years sooner. Likewise, waiting until age 70 to file for benefits results in payments that are 76% - 77% higher than at age 62 and 24% - 32% higher than at Full Retirement Age. Of course, the drawback of delaying Social Security is that it means forgoing benefit payments in the interim. The following table shows the impact of taking benefits early or late for people with a Full Retirement Age of 66 or 67.

Percent of Full Retirement Age Benefit

Age	Full Retirement Age of 66	Full Retirement Age of 67
62	75%	70%
63	80%	75%
64	86.7%	80%
65	93.3%	86.7%
66	**100% (FRA)**	93.3%
67	108%	**100% (FRA)**
68	116%	108%
69	124%	116%
70	132%	124%

Taking Early Benefits While Continuing to Work

If you take benefits prior to Full Retirement Age and continue to work, your benefits may be reduced. For example, benefits are reduced by $1 for every $2 in earnings above $24,480 in 2026. Alternatively, in the year you reach Full Retirement Age, benefits are reduced by $1 for every $3 you earn over $65,160 in 2026, until the month you reach FRA. Benefits are not reduced beginning the month you reach FRA.

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Spousal Benefits

If you have never worked, or if you have worked but your own benefit amounts to less than half of your spouse's Full Retirement Age (FRA) benefit, you can receive a spousal benefit. Spousal benefits are equivalent to one-half of your spouse's FRA benefit at your own FRA, or less if taken prior to your own FRA (e.g., as early as age 62). Spousal benefits do not go up or down based on when the primary Social Security recipient files for benefits, but the primary recipient must file for benefits in order for the spouse to receive a spousal benefit. Spousal benefits do not continue to increase after you reach FRA. The table below shows the spousal benefit by percentage, depending on when benefits are taken.

Age	Full Retirement Age of 66	Full Retirement Age of 67
62	35%	32.5%
63	37.5%	35%
64	41.7%	37.5%
65	45.8%	41.7%
66	**50% (FRA)**	45.8%
67	50%	**50% (FRA)**

Spousal Benefits for Divorcees

You may qualify for a spousal benefit from a previous spouse. In order to qualify, you must have been married for 10 or more years, currently be unmarried, and age 62 or older. The percent of the spousal benefit is the same as for married spouses (see table above). As long as you have been divorced for at least two years, you can receive spousal benefits if your ex-spouse is eligible to receive benefits (regardless of whether they have actually filed for benefits or not).

Survivor Benefits

Surviving spouses, surviving ex-spouses, and other family members may qualify for varying levels of Social Security survivor benefits when the primary recipient dies. Most notably, among married spouses, the higher of the two Social Security benefits lives on when one spouse passes away.

Cost of Living Adjustment (COLA)

Social Security payments go up over time in order to keep up with inflation. COLAs are determined annually based on increases in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The following table shows the Social Security cost-of-living adjustment for each of the last 15 years.

Cost of Living Adjustment (COLA)		
2012 – 3.6%	2017 – 0.3%	2022 – 5.9%
2013 – 1.7%	2018 – 2.0%	2023 – 8.7%
2014 – 1.5%	2019 – 2.8%	2024 – 3.2%
2015 – 1.7%	2020 – 1.6%	2025 – 2.5%
2016 – 0.0%	2021 – 1.3%	2026 – 2.8%

Recent Legislation

The Bipartisan Budget Act of 2015 put an end to "File and Suspend" and "Deemed Filing" strategies. The closure of the "Deemed Filing" loophole only affects individuals who reached age 62 after January 1, 2016. Therefore, those who reached age 66 on or before January 1, 2020 can still take advantage of the deemed filing loophole (i.e., filing for spousal benefits after reaching age 66 while allowing benefits on your own work record to continue to grow). Deemed filing rules do not apply to those applying for survivor or dependent benefits.

Potential Future Legislation

According to the Congressional Budget Office (CBO), payments have exceeded revenues each year, beginning in 2010. Based on the current trajectory, the balance of the retirement portion of the Social Security trust fund, which is used to cover any shortfall, is projected to be exhausted in 2033. Eventual change is inevitable to ensure the continuation of Social Security benefits. Future changes to Social Security could include pushing back the retirement age, reducing benefits/benefit caps, raising taxes, increasing eligibility requirements, means testing, and others.

When to Take Social Security

While the Bipartisan Budget Act of 2015 closed glaring Social Security loopholes, there are still ways to thoughtfully strategize about how and when to take Social Security benefits. For example, given the trade-off that exists in waiting, most advisors suggest waiting until Full Retirement Age to take benefits. If nothing else, waiting provides "longevity insurance" in the event you live beyond life expectancy. For married couples, given that the higher benefit lives on when one spouse passes away, many couples choose to have one spouse take benefits earlier, while the second delays benefits. This way the couple receives some benefits at an early age, while locking in a higher benefit that will carry through their joint life expectancy.

How to Apply

You can apply online, by phone, or in person at your local Social Security office (appointments available). In order to prepare, gather the following information: date and place of birth, marriage and divorce record (names, dates of birth, Social Security numbers, dates/places of marriage), names and dates of birth for minor or disabled children, US military service record, recent employment history, and direct deposit banking information.

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