2026 SOCIAL SECURITY GUIDE

QUICK FACTS

- o Social Security (SS) is based on your 35 highest years of income, indexed for inflation.
- o SS requires 40 credits. In 2026, $7,560 is required to earn the maximum four credits.
- o Primary Insurance Amount (PIA) is your projected benefit at Full Retirement Age (FRA).
- o FRA is based on year of birth.

1960 and after	Age 67
1955-1959	Age 66 + 2 mo. per year
1943-1954	Age 66

- o Maximum PIA for 2026 is $4,152.
- o You can reverse SS filing if paid back within 12 months.
- o Applying for survivor or ex-spousal benefits may require marriage certificate, death certificate, or divorce decree.
- o Unmarried relationships such as civil unions, domestic partnerships, and common law marriage may still qualify for spousal/survivor benefits.
- o U.S. citizens/non-U.S. citizens living abroad may receive benefits if requirements are met.
- o Projected benefits from the SSA often assume you will continue to work until benefit start age and a 0% COLA.

RETIREMENT BENEFITS

- o Benefit percentage based on filing age.
  - 70 – 124% (three years of delayed ret. credits)
  - 69 – 116%
  - 68 – 108%
  - 67 – 100% (no reduction)
  - 66 – 93.33%
  - 65 – 86.66%
  - 64 – 80%
  - 63 – 75%
  - 62 – 70% (max 30% reduction)

**Assumes FRA is age 67.*

COST OF LIVING ADJUSTMENTS (COLA)

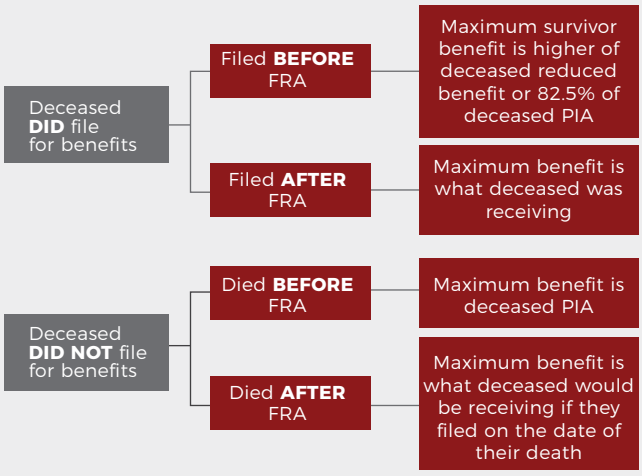
- o SS COLA effective Jan. 1, 2026 is 2.8%.
- o Average SS COLA over last 10 years is 3.1%.
- o Annual COLA impacts PIA beginning at age 62. Prior to age 60, PIA is impacted by the wage index. No changes for those ages 60 or 61 on Jan. 1.

SPOUSAL BENEFITS

- o Maximum spousal benefit is 50% (at spouse's FRA).
- o Minimum spousal benefit is 32.5% (at age 62).
- o Deemed Filing: If you are eligible for your own benefit and a spousal benefit, you will receive the higher of the two. If spousal is higher, you receive your own benefit, plus an excess spousal benefit.
- o Excess Spousal Benefit (ESB):
  - If lower income earning spouse (S1) files first, when spouse (S2) files later, S1 may be eligible for an ESB.
  - S1's ESB: 50% of S2's PIA minus S1's PIA
  - ESB received before FRA receives a reduction
- o Divorced Spousal Benefit: Must have been married 10 years, not remarried, and ex-spouse must be age 62 or receiving SSDI. Must be divorced for two years unless ex-spouse is already receiving.

SURVIVOR BENEFITS

- o Survivor benefit does not grow beyond survivor's FRA.
- o Minimum benefit is 71.5% of deceased PIA and available at survivor's age 60 (50 if disabled).
- o Strategies may include initially filing for survivor benefit then later switching to your own benefit, or vice versa.
- o If you remarry before age 60, you forfeit survivor benefits (as long as you remain in new marriage).
- o Divorce survivor benefit, marriage must have lasted 10 years.



*These benefits can be impacted by COLA and when the survivor files for the benefit.

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SOCIAL SECURITY TAXATION

Provisional Income = Adjusted Gross Income (excluding SS Income) + Non-Taxable Interest + ½ SS Income

Filing Status	Provisional Income	Taxable %
Married, Filing Joint	<$32,000	[1] 0%
	$32,000-$44,000	[2] Up to 50%
	>$44,000	[3] Up to 85%
Single/Head of Household/ MFS (Living Apart Entire Year)	<$25,000	0%
	$25,000-$34,000	Up to 50%
*MFS & Living Together: 85% taxable	>$34,000	Up to 85%

- o Maximizing SS while minimizing AGI is key to a tax-efficient retirement.
- o Married filing joint example:
  - Provisional income: $60,000
  - Taxable Social Security: $19,600
    - [1] 0% of $32,000 = $0
    - [2] 50% of $12,000 = $6,000
    - [3] 85% of $16,000 = $13,600

SOCIAL SECURITY DISABILITY (SSDI)

- o Eligible for SSDI if all the following are true:
  - Cannot do work at the substantial gainful activity level (SGA).
  - Cannot do work you did previously or adjust to other work.
  - Condition is expected to last for one year or result in death.
- o SSDI converts to SS retirement at FRA.

SUPPLEMENTAL SECURITY INCOME (SSI)

- o Needs-based: Anyone who has not earned enough credits to qualify for SS retirement or SSDI. Must have less than $2,000 in assets ($3,000 for couple) and limited income. Must be 65 or older, blind, or disabled.

EARNINGS TEST

- o SS may withhold paychecks if earning income before FRA. At FRA, SS increases benefit to account for paychecks withheld.
- o Based on gross earned income before deductions or net self-employment income.
- o Year one, can use monthly or annual earnings test. After year one, only option is annual.
- o Prior to the year FRA is obtained, SS withholds $1 for every $2 above $24,480 in 2026.
- o In the year FRA is obtained, SS withholds $1 for every $3 above $65,160 in 2026.
- o Once FRA is obtained, no earnings limit.

WINDFALL ELIMINATION PROVISION (WEP) / GOVERNMENT PENSION OFFSET (GPO)

REPEALED 1/5/2025

- o WEP and GPO have been eliminated, allowing for many individuals to see an increase in Social Security benefits. Go to ssa.gov to learn more.
- o WEP: Reduced your SS benefit if you receive a pension from an employer (or other country) that did not withhold SS tax.
- o GPO: Reduced your SS spousal or survivor benefit by two thirds of your pension amount if your employer did not withhold SS tax.

FAMILY BENEFITS

- o Family members may be eligible for SS benefits when a worker files for retirement or SSDI. Eligible family members include:
  - Children under age 18 (age 19 if still in high school)
  - Disabled adult children if disabled prior to age 22
  - Spouse if caring for your children receiving benefit
- o Dependents can receive up to 50% of workers' PIA. Total benefits are subject to family max of 150%-188% of worker's PIA, reduced by the workers PIA (regardless of when they filed). Once the family maximum is obtained, the benefits (besides the workers) are reduced pro-rata.
- o Dependent survivors can receive up to 75% of deceased PIA, subject to family max, not reduced by the deceased PIA.

MEDICARE

- o Part A – Hospital: No monthly premium. Covers hospital costs, skilled nursing, home health care, and hospice care.
- o Part B – Outpatient/Doctor Visits: Premium varies by income.
- o Part C – Medicare Advantage: Private insurance instead of Part A and B. Part D may be included.
- o Part D – Prescription Drug Plan: Premium varies by income.
- o Medigap: Medicare Supplement. Pays costs not covered by Part A and B, such as co-payments, co-insurance, and deductibles.

RAILROAD BENEFITS

- o Tier One: This benefit at FRA acts as the SS PIA equivalent.
- o Tier Two: Comparable to a private pension.

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