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Maximize Social Security in Your Retirement Strategy





**Interactive
experience**

**Strategies,
tools and tips**



Key topics



**Explore the
benefits of waiting to
claim Social Security**



**Discuss
strategies to create a
comprehensive plan**



**Take the
first step toward
creating your plan**



Which will contribute to your retirement income plan?



Pension



Social
Security



IRA



Workplace
Savings
Plan



Health
Savings
Account



Employment
Income



Real
Estate



Other



“How can I make my money last while covering my retirement expenses?”



Your Retirement Goals



Identify your retirement expenses



Make use of savings and income sources

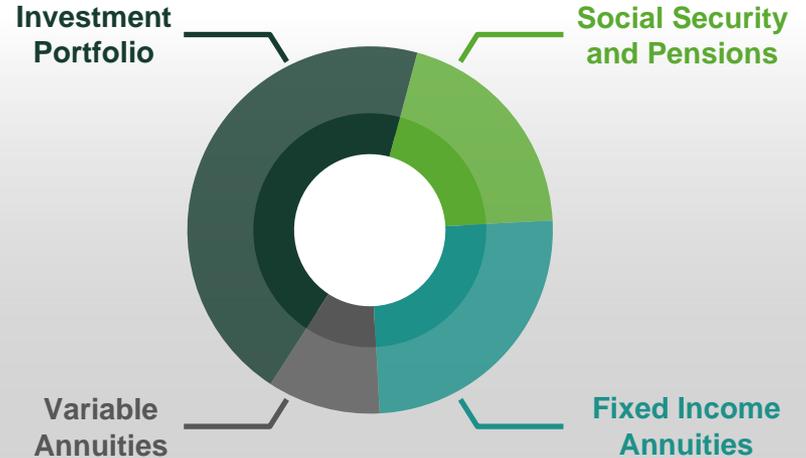
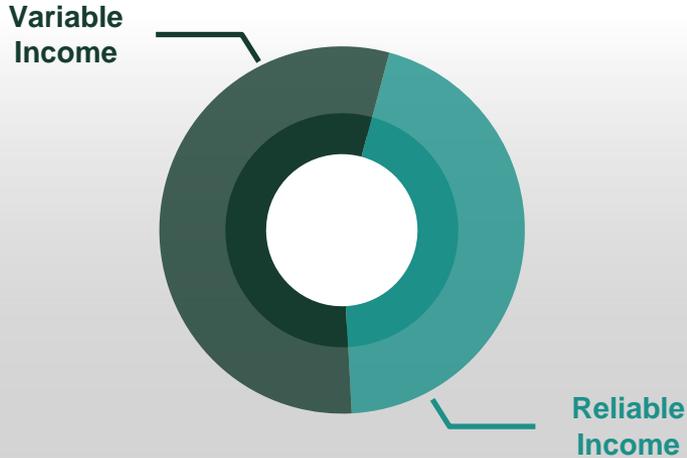


Allocating your retirement paycheck





Funding your retirement paycheck





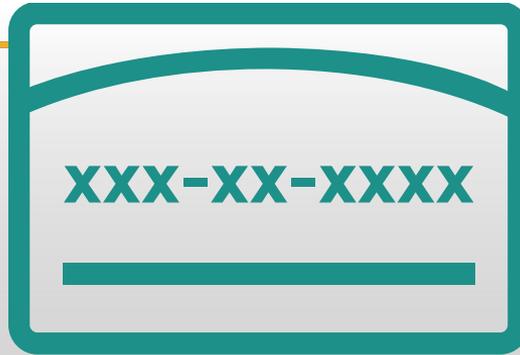
Social Security's Role in Your Retirement Strategy





What is Social Security?

Part of a government
social welfare and
insurance program



Pays benefits to
retirees, disabled
people, and survivors
of deceased workers



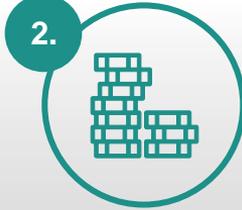
Qualifying for Social Security

1.



You worked for a
“covered” employer

2.



You earned at
least 40 “credits”

3.



You are at least
62 years old



1. You worked for a “covered” employer

A covered employer is one that pays Social Security taxes



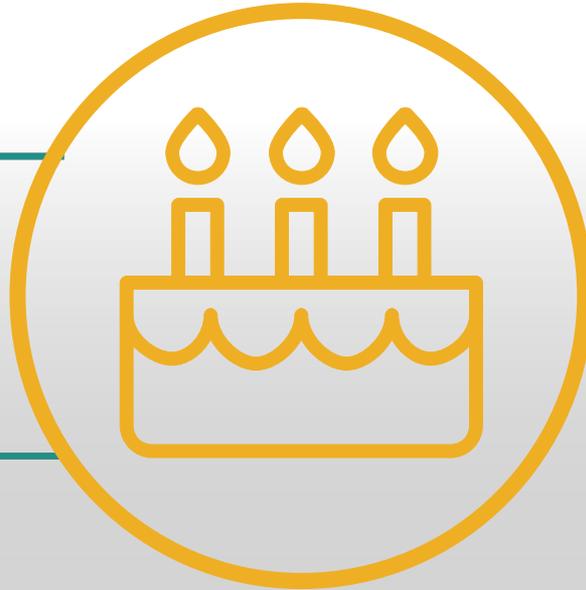
You might be able to get some benefits if you didn't work for a covered employer



3. You are at least 62 years old

You must be at least 62 years old to start claiming benefits

Full Retirement Age (FRA) ranges from age 66 to 67



Waiting until age 70 yields the maximum benefit

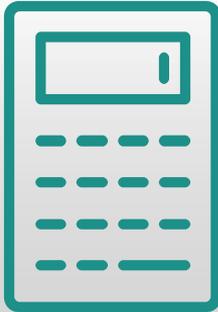


Full Retirement Age

If you were born in...	Your Full Retirement Age is...
1943–1954	66 years
1955	66 years, 2 months
1956	66 years, 4 months
1957	66 years, 6 months
1958	66 years, 8 months
1959	66 years, 10 months
1960 or later	67 years



Why it's better to wait until Full Retirement Age



Your benefit is calculated based on your Full Retirement Age

62

Eligible to claim at age 62



Not waiting:
Permanently reduced benefit amount



Waiting:
Benefit increases each year until age 70



Deciding when to claim





Reasons to wait



You are healthy



Have longevity in your family



Have additional income sources



Plan to continue working



Social Security as part of your retirement paycheck

- Investments
- Earned Income
- Other

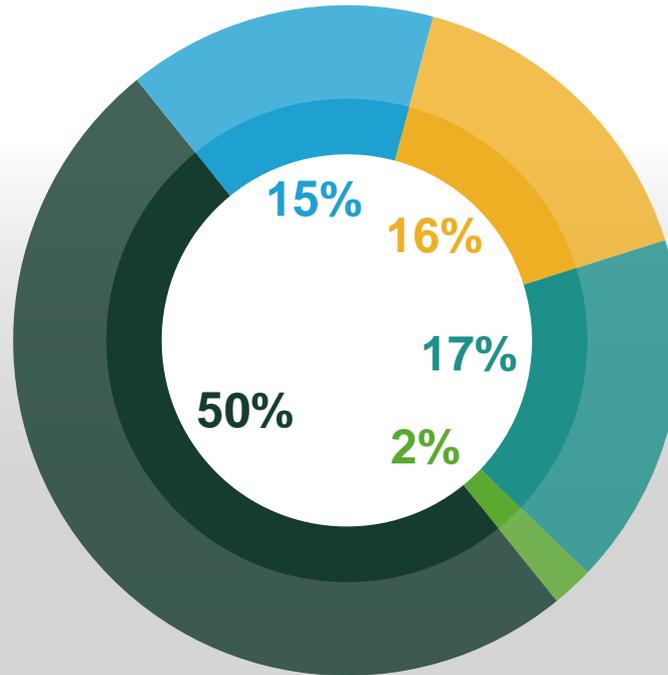
- Social Security
- Pension

Your Own Sources:

67%

Outside Sources:

33%



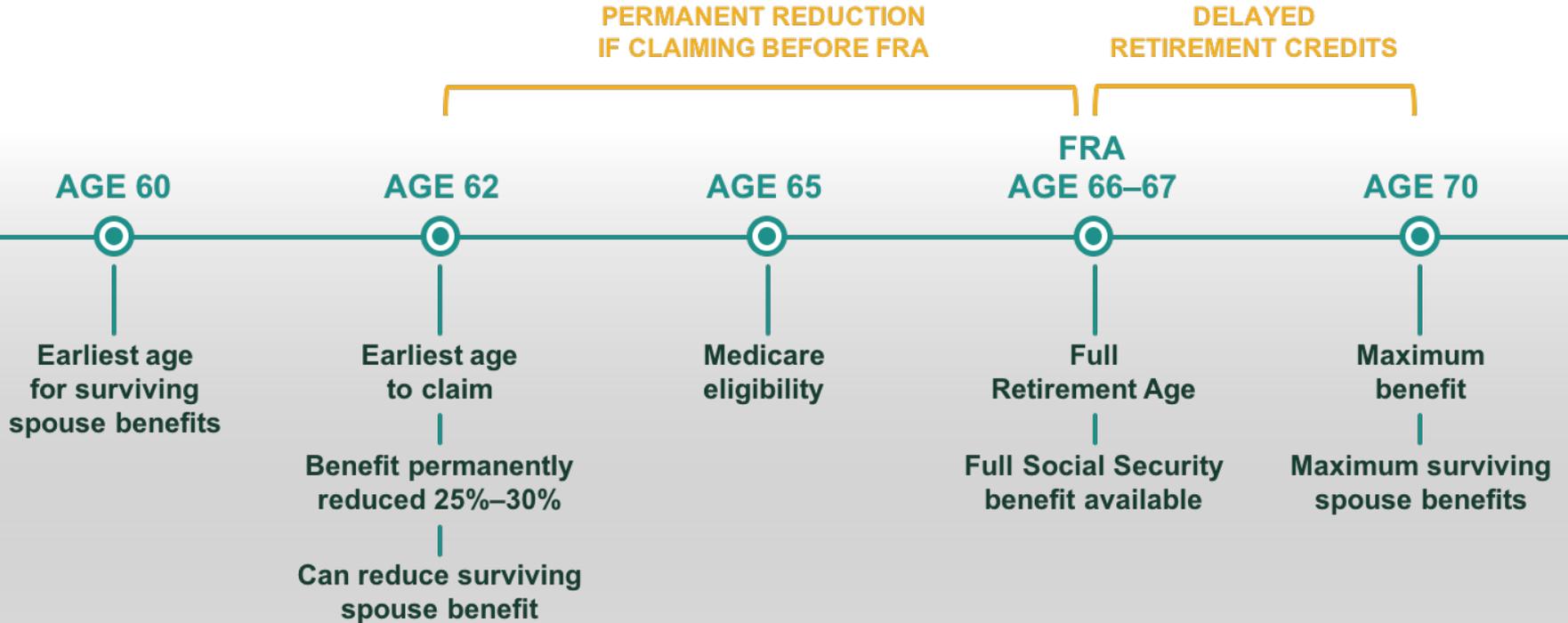


Social Security interactive





When to claim your benefit





Claiming before Full Retirement Age

FULL RETIREMENT AGE OF 67

AGE

~~67~~
62

BENEFITS %

~~100%~~
80%



Waiting to claim



JESSICA

\$1,200

AGE 62

\$1,600

**AGE 66
(Full Retirement Age)**

\$2,112

AGE 70

**AGE
89**

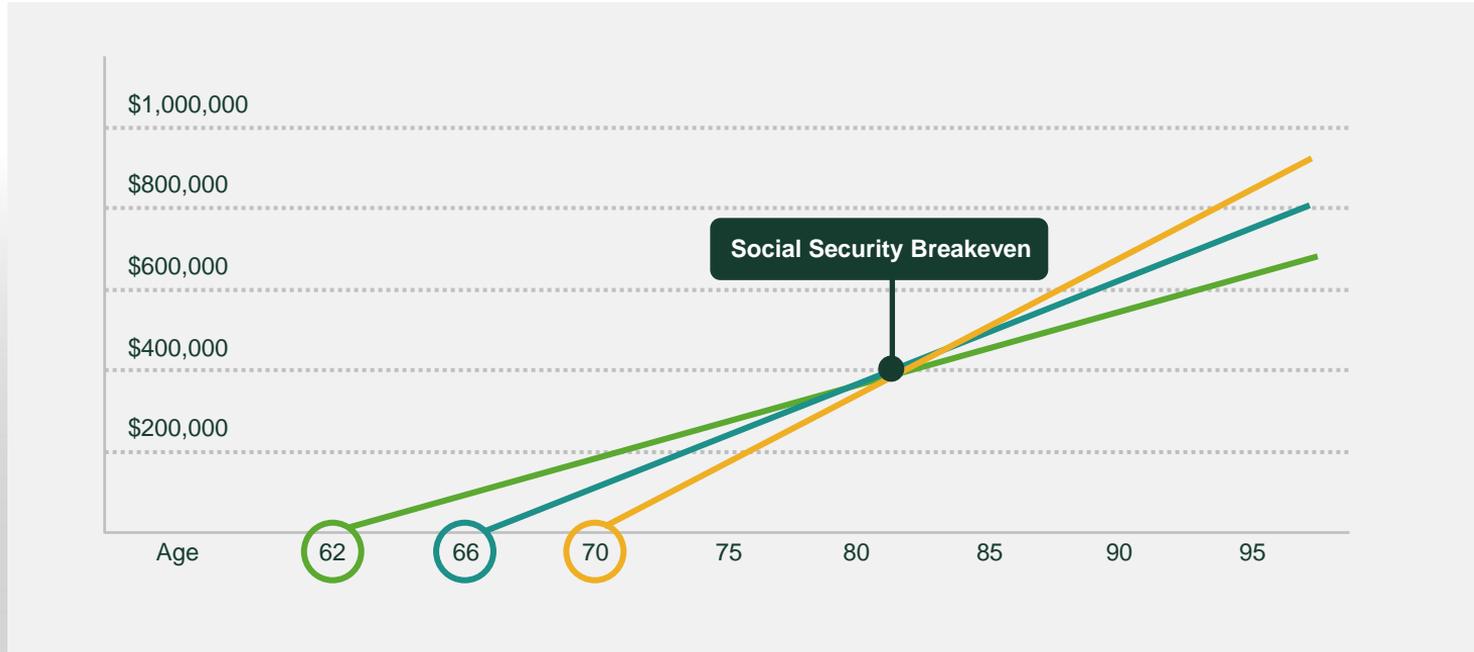
**ADDITIONAL
LIFETIME BENEFITS**

\$38,000

All figures are in today's dollars and before tax; the actual benefit would be adjusted for inflation and would possibly be subject to income tax. The hypothetical examples were calculated by Strategic Advisers, Inc., based on Social Security payout tables, as of May 2014. Strategic Advisers, Inc., is a registered investment adviser and a Fidelity Investments company. Lifetime benefits are determined by calculating the present values of the Social Security payments over time. The present values are calculated by discounting the Social Security payouts by an inflation-adjusted rate of return. The illustrations use the historical average yield of U.S. 10-Year TIPS for discounting. All lifetime benefits are expressed in present values, calculated using an inflation-adjusted discount rate and life expectancy of 89. The numbers are sensitive to, and would change with, the discount rate and the expectancy assumptions.



Your break-even age



Source: ssa.gov.

Based on information input to Social Security Quick Calculator for an individual turning 62 in 2016 with earnings of at least \$118,500. **This hypothetical example is for illustrative purposes only. It is not intended to predict or project your Social Security breakeven age.**



Ways to claim Social Security



1.
Your own
work record



2.
A spouse's work
record (current or
ex-spouse)



3.
A deceased spouse's
work record (including
ex-spouse)



Spousal benefit

You have a work record and a spouse

Any additional spousal benefit is added on

Your benefit is paid first

If eligible for both, you'll receive the larger of the two

You do not have a work record, but your spouse does

Your benefit is based on your spouse's earning history

Your benefit will be reduced if you claim before your FRA. Your maximum spousal benefit is half of your spouse's total Social Security benefit.



Tips for couples

Similar ages
and incomes



Delay claiming

Both planning
shorter retirements



Claim earlier

Maximize the
survivor benefit



Claim later



Tips for couples

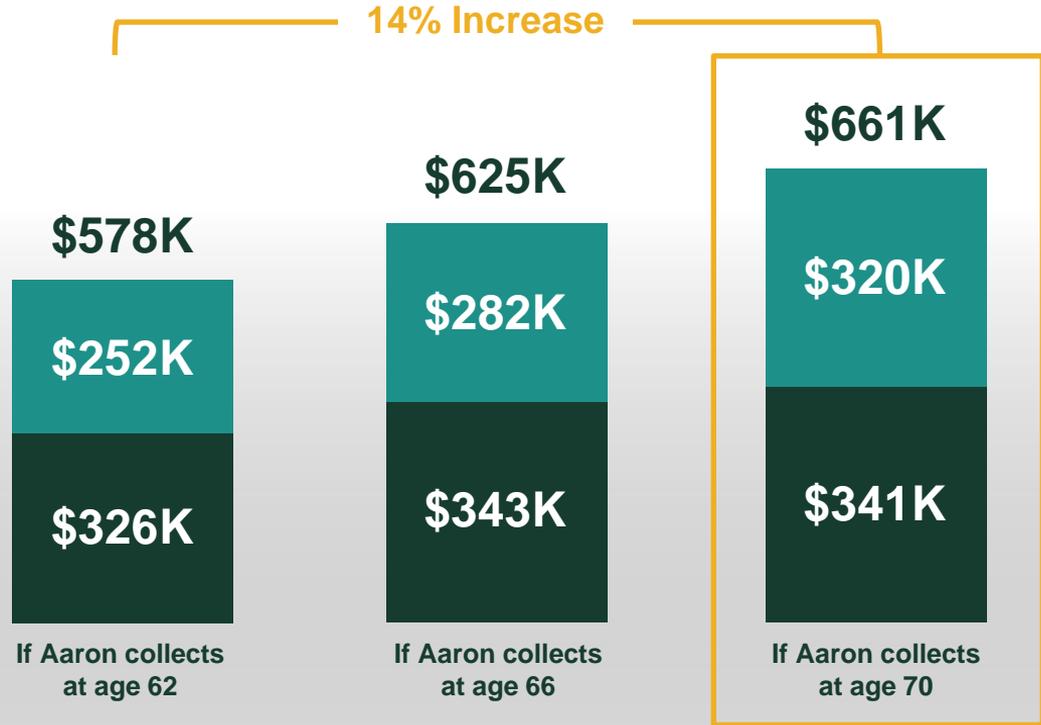


AARON



ELAINE

Waiting until age 70 would increase the couple's lifetime benefits and Elaine's survivor benefits—if she outlives Aaron.





Survivor benefit

Widow(er) Claims Survivor Benefit At:	% of Deceased Spouse's Benefit:
Age 50–59 (only if disabled)	71.5%
60	71.5%
61	76.25%
62	81%
63	85.75%
64	90.5%
65	92.25%
66+	100%

Two Options for the Survivor

1

Take the survivor benefit at 60



Switch to his or her own benefit at 70

2

Take his or her own benefit at 62

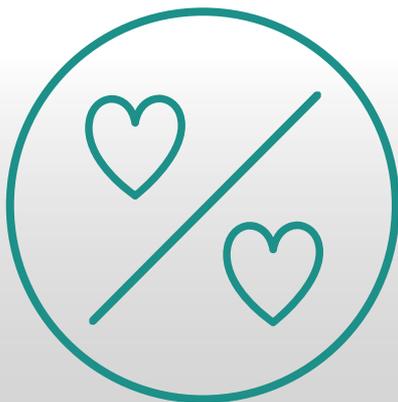


Switch to survivor benefit at 66

or



Divorce



62

You and your ex-spouse
are age 62 or older



Marriage lasted at least
10 continuous years



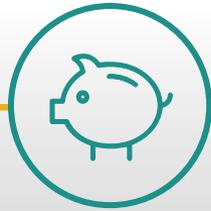
You have
not remarried



Advantages of working in retirement



Keep building retirement savings



Contribute to a workplace savings plan



Make catch-up contributions



May increase Social Security benefit



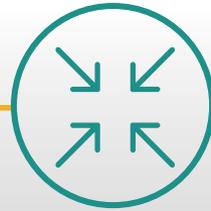
Working in retirement



Working temporarily reduces your benefit



Claiming early and working part-time hurts twice



Keeping earnings low can minimize benefit reduction



Understanding the benefit reduction rules



Tax considerations

How working affects your benefit

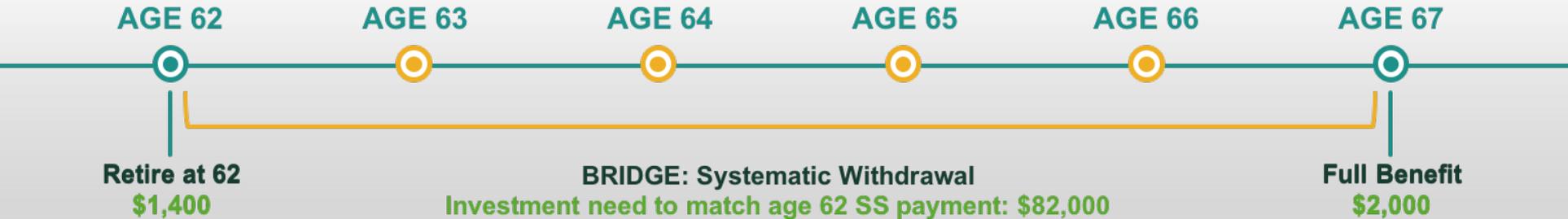
Age	Benefit reduced
Younger than FRA	\$1 for every \$2 over income limit
Reach FRA during year	\$1 for every \$3 over income limit
Reach the month of FRA	No reduction

- A portion of your Social Security benefit might be taxable
- The higher your income, the more likely your benefit will be taxed

VIEW IRS.GOV FOR ANNUAL LIMITS

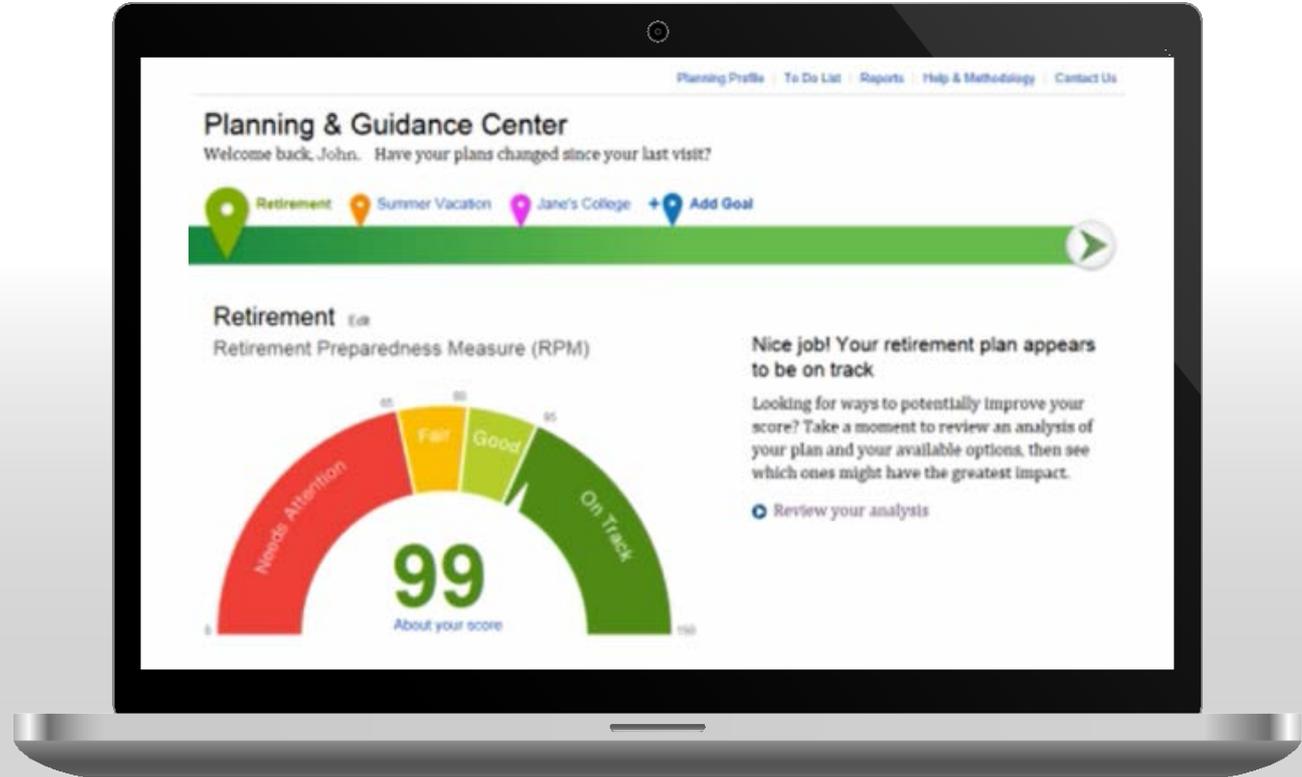


Bridge strategy implemented





Take the first step



Screenshot is for illustrative purposes only.

IMPORTANT: The projections or other information generated by the Planning & Guidance Center's Retirement Analysis regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Your results may vary with each use and over time.



Next steps



Fidelity Representatives



Provide a comprehensive view of your retirement plan



Review and evaluate investment strategies



Are available for help; call 800.603.4015



Next steps



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and resources



Resources



Thank You!

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Note: Anyone born in 1929 or later needs 10 years of work (40 credits) to be eligible for Social Security retirement benefits. People born before 1929 need fewer years of work. Contact the Social Security Administration for more details.

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