

# Social Security Optimizer

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This illustration is not complete without all pages.

# Social Security Optimizer

- Deciding on the date to start taking Social Security benefits is an important decision. This analysis is for someone born 12/8/1950. The AIME is: \$6,210. Results will show different dates for benefits to start, including the custom entry of 12/8/2018.

Birth Year	Full Retirement Age
1940	65, 6 Months
1941	65, 8 Months
1942	65, 10 Months
1943-1954	66
1955	66, 2 Months
1956	66, 4 Months
1957	66, 6 Months
1958	66, 8 Months
1959	66, 10 Months
1960+	67

- A person's benefits, known as Primary Insurance Amount (PIA), are calculated using the Average Indexed Monthly Earning (AIME). The AIME is generated by examining the person's top 35 years of income. Indexing applies for years for which the person has not attained age 60. Ages 60+, are not indexed. Indexing is done for each prior year's income by dividing the income by the National Wage Average for the year age 60 is attained by the year's National Wage Average. This index factor is then multiplied by the income for the year. For the optimizer model, its assumed that the user has already calculated the AIME, however, the same indexing is used to determine the Maximum AIME allowed, based off the Maximum Taxable Earnings table. An additional model is in the program that can calculate this figure, if it is not known. The following table illustrates the last 10 years of National Average Wages and Maximum Taxable Earnings. Note: the National Averages are published 2 years in arrears.

Year	National Wage Averages	Maxium Taxable Earnings
2021	N/A	\$142,800
2020	N/A	\$137,700
2019	\$54,099.99	\$132,900
2018	\$52,145.80	\$128,400
2017	\$50,321.89	\$127,200
2016	\$48,642.15	\$118,500
2015	\$48,098.63	\$118,500
2014	\$46,481.52	\$117,000
2013	\$44,888.16	\$113,700
2012	\$44,321.67	\$110,100
2011	\$42,979.61	\$106,800

# Social Security Optimizer

- The program calculates the maximum AIME allowed per year, based on the age benefits begin. The maximum is determined by indexing the last 35 years of maximum taxable earnings. If the person's entered AIME is in excess of the maximum allowed, the maximum allowed AIME will be used to determine the PIA.
- The PIA is a sum of three separate percentages of portions of Average Indexed Monthly Earnings. The amounts for each segment are determined by Bend Points 1 and 2. The following is a list of the last 10 years of Bend Points. For more information on how the Bend Points are used to calculate the PIA, visit [www.ssa.gov](http://www.ssa.gov).

Year	Bend Point 1	Bend Point 2
2021	\$996	\$6,002
2020	\$960	\$5,785
2019	\$926	\$5,583
2018	\$895	\$5,397
2017	\$885	\$5,336
2016	\$856	\$5,157
2015	\$826	\$4,980
2014	\$816	\$4,917
2013	\$791	\$4,768
2012	\$767	\$4,624

- A person is eligible to receive benefits starting at age 62, but if the person starts their benefits 'early', the computed PIA will be reduced because the full retirement age has not been reached. The reduction is based off the number of months till full retirement age, from when the benefits start. For the first 36 months, each month is reduced by 5/9 of 1%. For months in excess of 36, the payment is reduced by 5/12 of 1%.
- A person is also allowed to delay the start of PIA benefits. For birth years 1943+, each month delayed past the full retirement age date will result in the PIA to increase by 2/3 of 1%. So, if the delay is 1 year, an additional 8% is determined to be added to the PIA benefit.
- Every year, Cost of Living Adjustments (COLAs) are released which are applied to existing PIAs. In 2020, the COLA was 1.3%. For historical calculations, published COLA rates are used to calculate PIAs. For years which no COLA has been published, there is an option to use a) the last COLA published b) the last 10 year average of COLAS c) the last published Trustees Report d) or a manually entered rate. Whichever is selected, will be used for all projections for which no COLA is published. It is assumed that the selection is: Last Trustees Report.. In addition, the Average Wage Index, the Maximum Taxable Earnings, and the Bend points are impacted by changes each year. For historical calculations, the published tables are used. When future projections are considered, there is an option to use a) the last published inflation index b) the last 10 year average c) use the last published Trustees Report d) or a manually entered rate. For the last 10 year average, the inflation index is determined by taking the percent of change per year, over 10 years. It is assumed that the selection is: Last Trustees Report..

# Social Security Optimizer: Summary and Breakeven

## Summary

	Early Eligibility	Full Retirement	Custom Date	Maximum Delayed
Age:	62	66 Yrs, 0 Mos	68 Yrs, 0 Mos	70
Age Attained:	12/8/2012	12/8/2016	12/8/2018	12/8/2020
Max AIME Allowed:	\$8,199	\$8,556	\$8,706	\$8,864
AIME Used:	\$6,210	\$6,210	\$6,210	\$6,210
Max PIA Allowed:	\$1,855	\$2,639	\$3,160	\$3,791
Initial PIA Calculated:	\$1,621	\$2,270	\$2,694	\$3,201
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*Total PIA Received:	\$530,013	\$599,458	\$631,430	\$642,251

\* For the scope of this model, its assumed that the projections extend to age 84, based on the life expectancy of a male that is 70 years old. This corresponds to another mortality table, 2000CM, which is unisex, and also shows a life expectancy of 14 years. This is for projection purposes only.

## Breakeven

	Early Eligibility	Full Retirement	Custom Date
Maximum Delayed:	11/2029 (78)	7/2031 (80)	4/2033 (82)
Custom Date:	6/2028 (77)	10/2029 (78)	N/A
Full Retirement Age:	7/2027 (76)	N/A	N/A

\* The dates shown include the age for when the person will reach a breakeven point. For example, the point where total received Maximum Delayed (age 70) benefits will surpass the total received Early Eligibility (age 62) benefits is 11/2029 (78). Prior to this date, the total received Early Eligibility benefits is greater than than the total received Maximum Delayed benefits.

*This is a hypothetical illustration based on the assumptions you made, and is to be used as a guide only, in order to help you understand what your planning needs may be. This illustration should be considered together with all other information you deem important in making your investment decisions. This is not an illustration or guarantee of the performance of any specific investment. Actual performance from your investments may vary. This illustration is not legal or tax advice. You should consult with your own attorney and/or accountant to review this information and determine its appropriateness with respect to your particular situation. The provider of this illustration provides no guarantee and assumes no responsibility or liability for the accuracy of the information provided (including whether the interest rate you have selected is in fact "reasonable"), or for your reliance or decisions based on this information.*

## Social Security Optimizer: Early Eligibility (Age 62)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,621	\$1,621
2013	\$1,649	\$1,649	\$1,649	\$1,649	\$1,649	\$1,649	\$1,649	\$1,649	\$1,649	\$1,649	\$1,649	\$1,649	\$21,404
2014	\$1,673	\$1,673	\$1,673	\$1,673	\$1,673	\$1,673	\$1,673	\$1,673	\$1,673	\$1,673	\$1,673	\$1,673	\$41,483
2015	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$61,904
2016	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$1,702	\$82,325
2017	\$1,707	\$1,707	\$1,707	\$1,707	\$1,707	\$1,707	\$1,707	\$1,707	\$1,707	\$1,707	\$1,707	\$1,707	\$102,807
2018	\$1,741	\$1,741	\$1,741	\$1,741	\$1,741	\$1,741	\$1,741	\$1,741	\$1,741	\$1,741	\$1,741	\$1,741	\$123,698
2019	\$1,790	\$1,790	\$1,790	\$1,790	\$1,790	\$1,790	\$1,790	\$1,790	\$1,790	\$1,790	\$1,790	\$1,790	\$145,175
2020	\$1,818	\$1,818	\$1,818	\$1,818	\$1,818	\$1,818	\$1,818	\$1,818	\$1,818	\$1,818	\$1,818	\$1,818	\$166,995
2021	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$189,099
2022	\$1,888	\$1,888	\$1,888	\$1,888	\$1,888	\$1,888	\$1,888	\$1,888	\$1,888	\$1,888	\$1,888	\$1,888	\$211,756
2023	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$234,956
2024	\$1,980	\$1,980	\$1,980	\$1,980	\$1,980	\$1,980	\$1,980	\$1,980	\$1,980	\$1,980	\$1,980	\$1,980	\$258,713
2025	\$2,027	\$2,027	\$2,027	\$2,027	\$2,027	\$2,027	\$2,027	\$2,027	\$2,027	\$2,027	\$2,027	\$2,027	\$283,040
2026	\$2,076	\$2,076	\$2,076	\$2,076	\$2,076	\$2,076	\$2,076	\$2,076	\$2,076	\$2,076	\$2,076	\$2,076	\$307,952
2027	\$2,126	\$2,126	\$2,126	\$2,126	\$2,126	\$2,126	\$2,126	\$2,126	\$2,126	\$2,126	\$2,126	\$2,126	\$333,461
2028	\$2,177	\$2,177	\$2,177	\$2,177	\$2,177	\$2,177	\$2,177	\$2,177	\$2,177	\$2,177	\$2,177	\$2,177	\$359,582
2029	\$2,229	\$2,229	\$2,229	\$2,229	\$2,229	\$2,229	\$2,229	\$2,229	\$2,229	\$2,229	\$2,229	\$2,229	\$386,330
2030	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$2,283	\$413,720
2031	\$2,337	\$2,337	\$2,337	\$2,337	\$2,337	\$2,337	\$2,337	\$2,337	\$2,337	\$2,337	\$2,337	\$2,337	\$441,767
2032	\$2,393	\$2,393	\$2,393	\$2,393	\$2,393	\$2,393	\$2,393	\$2,393	\$2,393	\$2,393	\$2,393	\$2,393	\$470,488
2033	\$2,451	\$2,451	\$2,451	\$2,451	\$2,451	\$2,451	\$2,451	\$2,451	\$2,451	\$2,451	\$2,451	\$2,451	\$499,898
2034	\$2,510	\$2,510	\$2,510	\$2,510	\$2,510	\$2,510	\$2,510	\$2,510	\$2,510	\$2,510	\$2,510	\$2,510	\$530,013

- The table reflects reduction in the Primary Insurance Amount (PIA) due to early retirement.
- The table reflects yearly COLA starting after the year of early eligibility.
- The table extends to the end of the year for which the person turns 84.

# Social Security Optimizer: Full Retirement (Age 66, 0 Mos)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,270	\$2,270
2017	\$2,277	\$2,277	\$2,277	\$2,277	\$2,277	\$2,277	\$2,277	\$2,277	\$2,277	\$2,277	\$2,277	\$2,277	\$29,592
2018	\$2,322	\$2,322	\$2,322	\$2,322	\$2,322	\$2,322	\$2,322	\$2,322	\$2,322	\$2,322	\$2,322	\$2,322	\$57,460
2019	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$2,387	\$86,108
2020	\$2,426	\$2,426	\$2,426	\$2,426	\$2,426	\$2,426	\$2,426	\$2,426	\$2,426	\$2,426	\$2,426	\$2,426	\$115,215
2021	\$2,457	\$2,457	\$2,457	\$2,457	\$2,457	\$2,457	\$2,457	\$2,457	\$2,457	\$2,457	\$2,457	\$2,457	\$144,700
2022	\$2,519	\$2,519	\$2,519	\$2,519	\$2,519	\$2,519	\$2,519	\$2,519	\$2,519	\$2,519	\$2,519	\$2,519	\$174,923
2023	\$2,579	\$2,579	\$2,579	\$2,579	\$2,579	\$2,579	\$2,579	\$2,579	\$2,579	\$2,579	\$2,579	\$2,579	\$205,870
2024	\$2,641	\$2,641	\$2,641	\$2,641	\$2,641	\$2,641	\$2,641	\$2,641	\$2,641	\$2,641	\$2,641	\$2,641	\$237,561
2025	\$2,704	\$2,704	\$2,704	\$2,704	\$2,704	\$2,704	\$2,704	\$2,704	\$2,704	\$2,704	\$2,704	\$2,704	\$270,012
2026	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$303,242
2027	\$2,836	\$2,836	\$2,836	\$2,836	\$2,836	\$2,836	\$2,836	\$2,836	\$2,836	\$2,836	\$2,836	\$2,836	\$337,269
2028	\$2,904	\$2,904	\$2,904	\$2,904	\$2,904	\$2,904	\$2,904	\$2,904	\$2,904	\$2,904	\$2,904	\$2,904	\$372,113
2029	\$2,973	\$2,973	\$2,973	\$2,973	\$2,973	\$2,973	\$2,973	\$2,973	\$2,973	\$2,973	\$2,973	\$2,973	\$407,793
2030	\$3,045	\$3,045	\$3,045	\$3,045	\$3,045	\$3,045	\$3,045	\$3,045	\$3,045	\$3,045	\$3,045	\$3,045	\$444,330
2031	\$3,118	\$3,118	\$3,118	\$3,118	\$3,118	\$3,118	\$3,118	\$3,118	\$3,118	\$3,118	\$3,118	\$3,118	\$481,743
2032	\$3,193	\$3,193	\$3,193	\$3,193	\$3,193	\$3,193	\$3,193	\$3,193	\$3,193	\$3,193	\$3,193	\$3,193	\$520,055
2033	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$3,269	\$559,286
2034	\$3,348	\$3,348	\$3,348	\$3,348	\$3,348	\$3,348	\$3,348	\$3,348	\$3,348	\$3,348	\$3,348	\$3,348	\$599,458

- The table reflects the full retirement age, which has no increase due to delayed retirement, and no reduction due to early retirement.
- The table reflects yearly COLA starting after the year of early eligibility.
- The table extends to the end of the year for which the person turns 84.

# Social Security Optimizer: Custom Date (Age 68, 0 Mos)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,694	\$2,694
2019	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$2,769	\$35,927
2020	\$2,814	\$2,814	\$2,814	\$2,814	\$2,814	\$2,814	\$2,814	\$2,814	\$2,814	\$2,814	\$2,814	\$2,814	\$69,692
2021	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$103,896
2022	\$2,922	\$2,922	\$2,922	\$2,922	\$2,922	\$2,922	\$2,922	\$2,922	\$2,922	\$2,922	\$2,922	\$2,922	\$138,955
2023	\$2,992	\$2,992	\$2,992	\$2,992	\$2,992	\$2,992	\$2,992	\$2,992	\$2,992	\$2,992	\$2,992	\$2,992	\$174,855
2024	\$3,063	\$3,063	\$3,063	\$3,063	\$3,063	\$3,063	\$3,063	\$3,063	\$3,063	\$3,063	\$3,063	\$3,063	\$211,617
2025	\$3,137	\$3,137	\$3,137	\$3,137	\$3,137	\$3,137	\$3,137	\$3,137	\$3,137	\$3,137	\$3,137	\$3,137	\$249,262
2026	\$3,212	\$3,212	\$3,212	\$3,212	\$3,212	\$3,212	\$3,212	\$3,212	\$3,212	\$3,212	\$3,212	\$3,212	\$287,809
2027	\$3,289	\$3,289	\$3,289	\$3,289	\$3,289	\$3,289	\$3,289	\$3,289	\$3,289	\$3,289	\$3,289	\$3,289	\$327,282
2028	\$3,368	\$3,368	\$3,368	\$3,368	\$3,368	\$3,368	\$3,368	\$3,368	\$3,368	\$3,368	\$3,368	\$3,368	\$367,702
2029	\$3,449	\$3,449	\$3,449	\$3,449	\$3,449	\$3,449	\$3,449	\$3,449	\$3,449	\$3,449	\$3,449	\$3,449	\$409,093
2030	\$3,532	\$3,532	\$3,532	\$3,532	\$3,532	\$3,532	\$3,532	\$3,532	\$3,532	\$3,532	\$3,532	\$3,532	\$451,476
2031	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$3,617	\$494,877
2032	\$3,704	\$3,704	\$3,704	\$3,704	\$3,704	\$3,704	\$3,704	\$3,704	\$3,704	\$3,704	\$3,704	\$3,704	\$539,320
2033	\$3,792	\$3,792	\$3,792	\$3,792	\$3,792	\$3,792	\$3,792	\$3,792	\$3,792	\$3,792	\$3,792	\$3,792	\$584,829
2034	\$3,883	\$3,883	\$3,883	\$3,883	\$3,883	\$3,883	\$3,883	\$3,883	\$3,883	\$3,883	\$3,883	\$3,883	\$631,430

- The table reflects an increase in the Primary Insurance Amount (PIA) due to maximum delayed retirement.
- The table reflects yearly COLA starting after the year of early eligibility.
- The table extends to the end of the year for which the person turns 84.

# Social Security Optimizer: Maximum Delayed (Age 70)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2020	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,201	\$3,201
2021	\$3,243	\$3,243	\$3,243	\$3,243	\$3,243	\$3,243	\$3,243	\$3,243	\$3,243	\$3,243	\$3,243	\$3,243	\$42,112
2022	\$3,324	\$3,324	\$3,324	\$3,324	\$3,324	\$3,324	\$3,324	\$3,324	\$3,324	\$3,324	\$3,324	\$3,324	\$81,996
2023	\$3,403	\$3,403	\$3,403	\$3,403	\$3,403	\$3,403	\$3,403	\$3,403	\$3,403	\$3,403	\$3,403	\$3,403	\$122,838
2024	\$3,485	\$3,485	\$3,485	\$3,485	\$3,485	\$3,485	\$3,485	\$3,485	\$3,485	\$3,485	\$3,485	\$3,485	\$164,659
2025	\$3,569	\$3,569	\$3,569	\$3,569	\$3,569	\$3,569	\$3,569	\$3,569	\$3,569	\$3,569	\$3,569	\$3,569	\$207,485
2026	\$3,654	\$3,654	\$3,654	\$3,654	\$3,654	\$3,654	\$3,654	\$3,654	\$3,654	\$3,654	\$3,654	\$3,654	\$251,338
2027	\$3,742	\$3,742	\$3,742	\$3,742	\$3,742	\$3,742	\$3,742	\$3,742	\$3,742	\$3,742	\$3,742	\$3,742	\$296,243
2028	\$3,832	\$3,832	\$3,832	\$3,832	\$3,832	\$3,832	\$3,832	\$3,832	\$3,832	\$3,832	\$3,832	\$3,832	\$342,227
2029	\$3,924	\$3,924	\$3,924	\$3,924	\$3,924	\$3,924	\$3,924	\$3,924	\$3,924	\$3,924	\$3,924	\$3,924	\$389,313
2030	\$4,018	\$4,018	\$4,018	\$4,018	\$4,018	\$4,018	\$4,018	\$4,018	\$4,018	\$4,018	\$4,018	\$4,018	\$437,530
2031	\$4,115	\$4,115	\$4,115	\$4,115	\$4,115	\$4,115	\$4,115	\$4,115	\$4,115	\$4,115	\$4,115	\$4,115	\$486,905
2032	\$4,213	\$4,213	\$4,213	\$4,213	\$4,213	\$4,213	\$4,213	\$4,213	\$4,213	\$4,213	\$4,213	\$4,213	\$537,464
2033	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$589,236
2034	\$4,418	\$4,418	\$4,418	\$4,418	\$4,418	\$4,418	\$4,418	\$4,418	\$4,418	\$4,418	\$4,418	\$4,418	\$642,251

- The table reflects an increase in the Primary Insurance Amount (PIA) due to maximum delayed retirement.
- The table reflects yearly COLA starting after the year of early eligibility.
- The table extends to the end of the year for which the person turns 84.