

Social Security: Family Survivor Benefits

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- When a Qualified Worker dies, the family of the Qualified Worker is eligible to receive benefits. The surviving spouse, any age, caring for a qualified child under the age of 16 (or disabled) is eligible to receive 75% of the Qualified Worker's PIA. A widow is entitled to 100% of the Qualified Worker's PIA if they retire at their own Full Retirement Age. Widows can claim benefits at age 60, however, the PIA that they receive will be reduced for the number of months that the surviving spouse has not reached Full Retirement Age. The following table details the monthly reduction for early retirement, based on birth year.

Birth Year	Full Retirement Age	Monthly % Reduction
1939	65	0.475%
1940	65, 2 Months	0.460%
1941	65, 4 Months	0.445%
1942	65, 6 Months	0.432%
1943	65, 8 Months	0.419%
1944	65, 10 Months	0.407%
1945-1956	66	0.396%
1957	66, 2 Months	0.385%
1958	66, 4 Months	0.375%
1959	66, 6 Months	0.365%
1960	66, 8 Months	0.356%
1961	66, 10 Months	0.348%
1962+	67	0.339%

- Reductions done monthly are approximate due to rounding. The maximum benefit the surviving spouse would receive is limited to the what the Qualified Worker would have received if they were still alive. Surviving spouse benefits that start at age 60 are always reduced by 28.5%.
- Qualified children, or dependents, are also eligible to receive 75% of the Qualified Worker's PIA. There are several types of dependents that can qualify for benefits. Children have to be unmarried and satisfy one of the following:
 - Younger than 18 years of age.
 - Ages 18-19 and a full-time student (no higher than grade 12).
 - Age 18 or older with a disability that began before age 22.
- In addition, benefits can be claimed for parents that are claimed as dependents, assuming at least one half of support is provided by the Qualified Worker or surviving spouse. There are certain situations where benefits can go to stepchildren, grandchildren, step-grandchildren or an adopted child, but you should consult with a Social Security representative for ruling on such a qualification.
- The Maximum Family Benefit plays a role when there are qualified dependents involved. For example, if a Qualified Worker dies and has a spouse age 50, who cares for 3 qualified dependents, the percentages would be: 75% for the spouse, and 75% for each dependent, for a total of 300%. The family maximum benefit is typically between 150-180%. When the family benefits exceed the maximum, each beneficiary benefit is reduced equally.

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- The Family Maximum Benefits formula is similar to the Primary Insurance Amount formula. The formula sums up four percentage portions of Average Index Monthly Earnings. The amounts for each segment are determined by Bend Points 1, 2, 3, which are published each year and can be found on the Social Security website. The following table lists the last 10 years of Bend Points that are used in the Maximum Family Benefit formula. Each portion is calculated, and summed together, and the end result is rounded down to the nearest dime. For more information on how the Bend Points are used to calculate the PIA, visit www.ssa.gov.

Year	Bend Point 1	Bend Point 2	Bend Point 3
2021	\$1,272	\$1,837	\$2,395
2020	\$1,226	\$1,770	\$2,309
2019	\$1,184	\$1,708	\$2,228
2018	\$1,144	\$1,651	\$2,154
2017	\$1,131	\$1,633	\$2,130
2016	\$1,093	\$1,578	\$2,058
2015	\$1,056	\$1,524	\$1,987
2014	\$1,042	\$1,505	\$1,962
2013	\$1,011	\$1,459	\$1,903
2012	\$980	\$1,415	\$1,845

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: Family Survivor Benefits Summary and Details

Summary	
Date to Receive Benefits:	12/8/2020
Qualified Worker PIA (Deceased):	\$3,500
Include Surviving Spouse:	Yes
Number of Qualifying Children:	2
Total Family Benefit Calculated:	\$7,752.50
Maxium Family Benefit Allowed:	\$6,119.30
Surviving Spouse	
Spouse is a Caretaker?	Yes
Retirement Date:	12/8/2015
Spouse is Retired By PIA Date?	Yes
Benefit Based on Full Retirement Age:	\$3,500.00
Months Considered Early Retirement:	72
Reduction From Early Retirement:	28.5%
Benefit Based on Early Retirement:	\$2,502.50
Maximum Family Benefit Adjustment:	\$544.40
Adjusted Benefit:	\$1,958.10
Per Qualifying Child (Dependents)	
Calculated Benefit:	\$2,625.00
Maximum Family Benefit Adjustment:	\$544.40
Adjusted Benefit:	\$2,080.60

Details

Beneficiary	Status	PIA Percentage Allowed	PIA Based On Allowed	Reduction Calculated (Early)	PIA Adjusted Benefit	Maximum Family Adjustment	Total Adjusted Benefit
Spouse	Retired	100%	\$3,500.00	28.5%	\$2,502.50	\$544.40	\$1,958.10
Child 1	Qualified	75%	\$2,625.00	N/A	\$2,625.00	\$544.40	\$2,080.60
Child 2	Qualified	75%	\$2,625.00	N/A	\$2,625.00	\$544.40	\$2,080.60
Total			\$8,750.00		\$7,752.50	\$1,633.20	\$6,119.30