

Early or Delayed Retirement's Effect on Social Security Benefits

Full retirement age (FRA) is the age at which “full” Social Security retirement benefits – 100% of an individual’s Primary Insurance Amount (PIA)¹ – are available. For many years, FRA was set at age 65. Beginning with individuals born in 1938, FRA gradually increases until it reaches age 67 for those born in 1960 or later.

If an individual chooses to receive retirement benefits before his or her FRA, the benefit paid is reduced to reflect the fact that income will be paid over a longer period of time. Similarly, if an individual chooses to delay retirement benefits, the benefit is increased for each year of delay (up to age 70) beyond FRA. The table below shows the effect of early or delayed retirement on an individual’s retirement benefit, depending on the year of birth.

Retirement Benefit as a Percentage of the Primary Insurance Amount at Various Ages ²									
Year of Birth	Full Retirement Age (FRA)	Credit for each year of delayed retirement after FRA (Percent)	Benefit as a % of PIA at Age						
			62	63	64	65	66	67	70
1924	65	3	80	86 ² / ₃	93 ¹ / ₃	100	103	106	115
1925-1926	65	3½	80	86 ² / ₃	93 ¹ / ₃	100	103½	107	117½
1927-1928	65	4	80	86 ² / ₃	93 ¹ / ₃	100	104	108	120
1929-1930	65	4½	80	86 ² / ₃	93 ¹ / ₃	100	104½	109	122½
1931-1932	65	5	80	86 ² / ₃	93 ¹ / ₃	100	105	110	125
1933-1934	65	5½	80	86 ² / ₃	93 ¹ / ₃	100	105½	111	127½

¹ The PIA is calculated by the Social Security Administration based on a person’s lifetime earnings record.

² Source: Social Security Administration.

Early or Delayed Retirement's Effect on Social Security Benefits

Retirement Benefit as a Percentage of the Primary Insurance Amount at Various Ages ¹									
Year of Birth	Full Retirement Age (FRA)	Credit for each year of delayed retirement after FRA (Percent)	Benefit as a % of PIA at Age						
			62	63	64	65	66	67	70
1935-1936	65	6	80	86 ² / ₃	93 ¹ / ₃	100	106	112	130
1937	65	6½	80	86 ² / ₃	93 ¹ / ₃	100	106½	113	132½
1938	65, 2 mos	6½	79 ¹ / ₆	85 ⁵ / ₉	92 ² / ₉	98 ⁸ / ₉	105 ⁵ / ₁₂	111 ¹¹ / ₁₂	131 ⁵ / ₁₂
1939	65, 4 mos	7	78 ¹ / ₃	84 ⁴ / ₉	91 ¹ / ₉	97 ⁷ / ₉	104 ² / ₃	111 ² / ₃	132 ² / ₃
1940	65, 6 mos	7	77½	83 ¹ / ₃	90	96 ² / ₃	103½	110½	131½
1941	65, 8 mos	7½	76 ² / ₃	82 ² / ₉	88 ⁸ / ₉	95 ⁵ / ₉	102½	110	132½
1942	65, 10 mos	7½	75 ⁵ / ₆	81 ¹ / ₉	87 ⁷ / ₉	94 ⁴ / ₉	101¼	108¾	131¼
1943-1954	66	8	75	80	86 ² / ₃	93 ¹ / ₃	100	108	132
1955	66, 2 mos	8	74 ¹ / ₆	79 ¹ / ₆	85 ⁵ / ₉	92 ² / ₉	98 ⁸ / ₉	106 ² / ₃	130 ² / ₃
1956	66, 4 mos	8	73 ¹ / ₃	78 ¹ / ₃	84 ⁴ / ₉	91 ¹ / ₉	97 ⁷ / ₉	105 ¹ / ₃	129 ¹ / ₃
1957	66, 6 mos	8	72½	77½	83 ¹ / ₃	90	96 ² / ₃	104	128
1958	66, 8 mos	8	71 ² / ₃	76 ² / ₃	82 ² / ₉	88 ⁸ / ₉	95 ⁵ / ₉	102 ² / ₃	126 ² / ₃
1959	66, 10 mos	8	70 ⁵ / ₆	75 ⁵ / ₆	81 ¹ / ₉	87 ⁷ / ₉	94 ⁴ / ₉	101 ¹ / ₃	125 ¹ / ₃
1960 and later	67	8	70	75	80	86 ² / ₃	93 ¹ / ₃	100	124

¹ Source: Social Security Administration.

Disclosure Notice

The information that follows is intended to serve as a basis for further discussion with your financial, legal, tax and/or accounting advisors. It is not a substitute for competent advice from these advisors. The actual application of some of these concepts may be the practice of law and is the proper responsibility of your attorney. The application of other concepts may require the guidance of a tax or accounting advisor. The company or companies listed below are not authorized to practice law or to provide legal, tax, or accounting advice.

Although great effort has been taken to provide accurate data and explanations, and while the sources are deemed reliable, the information that follows should not be relied upon for preparing tax returns or making investment decisions. This information has neither been audited by nor verified by the company, or companies, listed below and is therefore not guaranteed by them as to its accuracy.

If a numerical analysis is shown, the results are neither guarantees nor projections, and actual results may differ significantly. Any assumptions as to interest rates, rates of return, inflation, or other values are hypothetical and for illustrative purposes only. Rates of return shown are not indicative of any particular investment, and will vary over time. Any reference to past performance is not indicative of future results and should not be taken as a guaranteed projection of actual returns from any recommended investment.