



April 3, 2014

Losing Out on Social Security

Social Security Retirement Benefits are an important source of income in retirement for most Americans. Many get one-third or more of their retirement income from Social Security. Yet they treat those benefits casually and put little effort into understanding Social Security or maximizing their benefits. Several weeks ago, the Social Security's Office of the Inspector General released a report on a segment of beneficiaries, people receiving spousal benefits. The Inspector General concluded that nearly one-third of those studied were entitled to receive higher benefits at age 70. The average shortfall was about \$9,000 annually or a total of \$124 million. The real message of this study is that everyone is responsible for understanding their Social Security benefits and making sure that they are getting the correct checks. This scrutiny should begin years before one is going to retire. Social Security retirement benefits are based on a 35-year earnings record and many people have choices and should do more to shape that record. Oftentimes, people believe that Social Security is bankrupt and they ignore it. It is actually the largest item in the Federal budget and it is not disappearing.

Larry Luxenberg

Partner

luxenberg@lexingtonave.com

About Larry Luxenberg

Larry is a Chartered Financial Analyst with 28 years experience as an institutional investor and financial consultant. Larry specializes in retirement planning for Baby Boomers and strategies for maximizing benefits for Social Security. He has been widely quoted in newspapers and magazines and has appeared on CNBC and other television and radio programs.