

## Let's Talk...

# Let's Talk ... About Maximizing Your Social Security Benefit

Social Security is a critical component of income for many people as they transition from work to retirement. Making informed decisions about when to claim benefits and how to maximize them can have a lasting impact on your financial security.

### When Should You Claim Social Security?

You can start receiving Social Security benefits as early as age 62, but claiming that early reduces your monthly benefit by about 25-30% compared to waiting until your Full Retirement Age shown below. The exact reduction depends on how many months you claim benefits before your Full Retirement Age. Delaying your benefits beyond your Full Retirement Age increases your benefit by about 8% per year until age 70, resulting in a higher monthly benefit. For example, if your Full Retirement Age is 67, delaying benefits until age 70 can increase your monthly benefit by roughly 24% compared to claiming at Full Retirement Age. This increase does not apply before Full Retirement Age.

### Determine your Full Retirement Age

If you were born in...	Your Full Retirement Age is...
1960 or later	67, reached in 2026 or later
1959	66 years and 10 months
1958	66 years and 8 months
Before 1958	Refer to this <a href="#">calculator</a> provided by the Social Security Administration to determine your Full Retirement Age

**Tip:** If you're still working or plan to work into your 60s or beyond, consider how your earnings and retirement plans influence the best time to claim.

### How to Maximize Your Benefits

- **Delay Benefits:** Waiting until age 70 can significantly boost your monthly income, which is especially beneficial if you expect a longer retirement or want to maximize survivor benefits for a spouse. To maximize your Social Security benefit, consider using other income sources,

such as your 401(k), to bridge the income gap between early retirement and your Full Retirement Age.

- **Coordinate with Your Spouse:** Spouses can strategize to optimize household benefits—such as one delaying benefits while the other claims early, or timing benefits to maximize survivor payouts.
- **Survivor Benefits:** If you are the spouse or dependent of a worker who has passed away, you may be eligible for survivor benefits. These benefits provide financial security during your retirement years or if you become disabled. The amount depends on the deceased worker's earnings record and your relationship with them. Survivor benefits can be up to 50% of your spouse's Primary Insurance Amount. To be eligible, a spouse needs to be at least 62 years old and married to the worker for at least one year; exceptions apply if the spouse is caring for a qualifying child. Children of deceased workers can receive survivor benefits before retirement age if they are minors, disabled, or dependents.
- **Work and Earn:** Continuing to work while claiming benefits can increase your benefit amount if your earnings exceed certain thresholds, but be aware that benefits may be withheld if your earnings surpass these limits.
- **Be Mindful of Taxes and Medicare:** Like many programs, Social Security benefits may be taxable, especially if you have other sources of income. Additionally, if you claim Social Security benefits after reaching your Full Retirement Age, it's important to sign up for Medicare Part B to avoid potential late enrollment penalties. Coordinating your claiming strategy for Social Security and enrollment in Medicare can help you avoid unexpected costs and ensure continuous coverage.

## Stay Informed on Policy Changes

Staying updated on changes in benefit calculations or eligibility criteria can help you adapt your retirement strategy effectively.

## Key Changes to Social Security in 2026

- The wage cap for Social Security taxes increased to \$184,500 in 2026.
- The 2026 earnings limits are confirmed as follows:
  - Before Full Retirement Age: \$24,480 annual limit (benefits withheld \$1 for every \$2 earned above this).
  - In the Year of Full Retirement Age: \$65,160 annual limit (benefits withheld \$1 for every \$3 earned above this until month of Full Retirement Age).
- After reaching your Full Retirement Age, there is no earnings limit and withheld benefits are restored.

## Use Planning Tools

Fidelity offers a comprehensive [Social Security Planning Tool](#) that allows you to estimate your benefits based on different claiming ages, earnings history, and spousal benefits. This interactive tool can help you explore various claiming strategies to maximize your Social Security income.

## Work with a Financial Advisor

Whether you're just starting your career or planning your retirement, understanding your options and timing your benefits wisely can make a big difference. Consider consulting a financial advisor to develop a strategy tailored to your needs.

**Tip!** Halliburton's 401(k) plan includes complimentary one-on-one retirement planning help. Call [\(800\) 603-4015](tel:8006034015) or [make an appointment here](#).

Sources:

[Investopedia: 5 Tips to Increase Your Social Security Check](#)

[AARP: 7 Things to Know About Working While Getting Social Security](#)

[Fidelity: 6 Ways to Help Maximize Social Security](#)

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