

## Social Security - Can you pass the test?

Do you know if you will have enough to live the retirement lifestyle you envision? Many Americans are counting on Social Security benefits; however, most of us know little about it. In a recent survey by MassMutual, 72 percent failed a quiz about Social Security. Social Security covers 96% of workers. If it's part of your retirement plan, you should know about the potential benefits. Here are 4 questions workers should consider:

1. How do I qualify? Workers who pay Social Security taxes earn credits. Typically, workers earn about 4 credits per year. You need 40 credits, or 10 years, to qualify.
2. How much is my benefit? Benefit payments are based on your career earnings and retirement age. Higher lifetime earnings yield higher Social Security benefits.
3. When should I retire? If you retire at 62, benefits will be lower than if you wait. Amounts increase over a certain age range depending on when you were born. Additional percentages may be added for workers who wait until age 70.
4. Will Social Security be enough? For most retirees, Social Security benefits are not enough to cover all of their expenses. A rule of thumb is that you'll need 75% of your pre-retirement income. Social Security makes up only about 40%.

Take MassMutual's Social Security Knowledge Quiz:

[www.massmutual.com/~media/files/ss\\_quiz.pdf](http://www.massmutual.com/~media/files/ss_quiz.pdf)

See an estimate of your future social security benefits at <http://www.ssa.gov/myaccount>.

If you have an employer provided retirement account, contact your employee benefits manager to find out who to talk to for an estimate of future income.

The Cooperative Extension Service is your source for reliable, research-based information on personal finance. Use the Ballpark Estimate to calculate future retirement needs. Take the free online course Planning for a Secure Retirement. Visit our website at <http://www.uaex.edu/health-living/personal-finance/retirement-estate-planning.aspx>

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