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Social Security: When to Claim

The claiming decision is the biggest number in the plan

"Delay is not patience. It is math."

Jordan Hyde, Founder

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1. What Social Security Actually Is

Social Security is a lifetime inflation-adjusted income stream funded by your own work history. The monthly check is calculated from your 35 highest-earning years, indexed for wage growth. Miss years, and zeros fill the slots.

The 2026 cost-of-living adjustment is 2.8 percent. Maximum taxable earnings for 2026 are \$184,500. Any wages above that do not add to Social Security tax or to future benefits.

THE HLG VIEW

Think of Social Security as the bond portion of your retirement income. It is inflation-adjusted, guaranteed by federal law, and immune to market crashes. That is exactly why the timing decision is worth getting right.

2. The Claiming Ages

Three ages matter.

Age	What it means	Effect on benefit
62	Earliest eligibility	Permanently reduced (up to roughly 30% below FRA)
Full Retirement Age (66 to 67)	Full primary insurance amount	No reduction, no delay credit
70	Latest worth delaying to	Roughly 24% to 32% above FRA (depending on birth year)

Between FRA and 70, Social Security adds 8 percent per year in delayed retirement credits. There is no credit for delaying past 70. If you have not claimed by then, file.

Rule of thumb

If you expect to live to your mid-80s or beyond, delaying pays. If you expect a short retirement or need the cash flow, claiming earlier is not wrong. The question is which fact pattern is yours.

3. Spousal and Survivor Benefits

For married couples, the claiming decision is rarely about just one person. It is a joint decision with a very large survivor implication.

Spousal benefit

A lower-earning spouse can receive up to 50 percent of the higher earner's full retirement age benefit, starting as early as age 62 (reduced), as long as the higher earner has filed.

Survivor benefit

When the first spouse dies, the survivor keeps the larger of the two checks. The smaller check goes away. That makes the higher earner's claiming age the biggest single variable in lifetime Social Security dollars for a couple.

THE HLG VIEW

For most married clients, the higher earner should delay to 70 if cash flow allows. The survivor benefit it creates is a joint-life annuity that outlives the higher earner. We have rarely seen the opposite choice win the math.

4. Working While Claiming

If you claim before Full Retirement Age and continue to work, the earnings test applies.

Status	2026 earnings limit	Benefit withheld
Under FRA all year	\$24,480	\$1 for every \$2 above limit
Year you reach FRA	\$65,160 (partial-year)	\$1 for every \$3 above limit, only counts months before FRA
Month of FRA and after	No limit	None

Withheld benefits are not gone. They are credited back in the form of a higher monthly benefit starting at FRA. The earnings test is a deferral, not a penalty.

5. Taxation of Benefits

Up to 85 percent of your Social Security benefit can be federally taxable, depending on your "combined income" (adjusted gross income + nontaxable interest + half of Social Security).

Filing status	Combined income	Portion taxable
Single	Under \$25,000	0%
Single	\$25,000 to \$34,000	Up to 50%
Single	Over \$34,000	Up to 85%
Married Filing Jointly	Under \$32,000	0%
Married Filing Jointly	\$32,000 to \$44,000	Up to 50%
Married Filing Jointly	Over \$44,000	Up to 85%

These thresholds have not been indexed for inflation in 40 years, which is why nearly every retiree now pays tax on benefits. Strategic Roth conversions and careful withdrawal sequencing can sometimes keep combined income lower than it would otherwise be.

6. The HLG Decision Framework

There is no single right age. There is a right age for you, given your facts. Work through these four questions in order.

1. Longevity: what is your honest read on likely lifespan, based on family history, health, and lifestyle?
2. Cash flow: if you delay, can the portfolio carry the gap without damaging the base?
3. Marriage: if married, whose earnings record matters for the survivor, and does delay protect the survivor?
4. Tax: what does your tax picture look like in the delay years, and what does it look like after?

Default recommendation

Absent a specific reason otherwise, the higher earner in a married couple delays to 70, and the lower earner claims at or near Full Retirement Age. We deviate from this default when longevity, cash flow, or tax math says we should.

7. Five Common Mistakes

5. Claiming at 62 without running the numbers, because "it is my money and I want it."
6. Ignoring the survivor impact. The higher earner's claiming age sets the floor for the surviving spouse.
7. Waiting too long to check your earnings record. Correct errors before you file.
8. Claiming before FRA while still earning above the limit, triggering the earnings test.
9. Forgetting IRMAA. Social Security plus RMDs can push Medicare premiums up two brackets without warning.

Worked Scenarios

Scenario A: Matched earnings, good longevity

Married couple, both healthy, family history of long life. Similar lifetime earnings. HLG framework says: both delay to at least Full Retirement Age, and the higher earner delays to 70. Survivor benefit is well protected.

Scenario B: Mismatched earnings

Sole breadwinner with a non-working spouse. HLG framework says: breadwinner delays to 70, spouse claims spousal benefit at FRA. The delay compounds for 8 years and then becomes the survivor benefit.

Scenario C: Single filer, shorter longevity

Single, modest savings, family history of shorter life expectancy, wants to stop working at 63. HLG framework says: claim at or near 62. Portfolio preservation matters more than delayed credits they may not live to collect.

Pre-Claiming Checklist

- my Social Security account created at ssa.gov
- Earnings record verified for the last 10 years (correct any missing or miscounted years)
- Full Retirement Age confirmed
- Estimated monthly benefit at 62, FRA, and 70 printed from SSA
- Break-even analysis reviewed with your advisor
- Spousal / survivor strategy coordinated in writing
- Earnings test checked if claiming before FRA while working
- Tax and IRMAA impact modeled for the first five years
- Medicare enrollment calendared if near age 65

Authoritative Resources

Your SSA record: ssa.gov/myaccount

2026 COLA and figures: ssa.gov/cola

When to start receiving benefits: [ssa.gov publication](#)

Medicare and IRMAA: medicare.gov

Taxation of benefits: [IRS Publication 915](#)

Disclosures

Prepared by Hyde Legacy Group for its clients. Educational only. Not a recommendation or promise of specific benefit amounts. Your actual benefit depends on your earnings record and the claiming rules in effect when you file.

2026 figures in this document are drawn from SSA and IRS publications for tax year 2026. Verify current figures at ssa.gov before acting.