

Pa Farm Link 2023 Farm Succession Workshops – February 23, March 1, 2023

Table 1. Retirement Benefits – Social Security

| Social Security Quick Chart—Retirement Benefits (2020) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---------------|-----------------|--------|--------|------------|-------|-------|------------|-------|-------|------------|-------|-------|------------|-------|-------|------------|-------|-------|------------------|-------|-------|---|--------------------|----------------------------|-----------------|------------------|------------|------------------|------------|------------------|------------|------------------|------------|------------------|------------|-------------------|------------------|------------------|---|--------------------|---|-----------------|------|-----------------|-----|-----------------|-----|-----------------|-----|-----------------|-----|-----------------|-----|------------------|-----|
| | Early Retirement (Permanently Reduced Benefits) | Full Retirement (Full Benefits) | Delayed Retirement (Permanently Increased Benefits) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Eligibility for Benefits | Workers are eligible for early retirement benefits at age 62. Note: If retirement is disability-related, apply for disability benefits, which generally equal full retirement benefits. | Full retirement age (FRA) (see below) is when a worker can retire and collect full retirement benefits. | Delayed retirement is available for a worker over the FRA. At age 70, workers automatically receive benefits. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Age and Benefit Payments | Receiving benefits before FRA permanently reduces monthly benefits based on number of months benefits received before FRA. Spousal benefits based on the worker's coverage are also reduced. % of Full Benefits if Worker Receives Benefits at Age 62 <table border="1"> <thead> <tr> <th><i>Worker Born</i></th> <th><i>Worker</i></th> <th><i>Spouse</i></th> </tr> </thead> <tbody> <tr> <td>1943–1954</td> <td>75.00%</td> <td>70.00%</td> </tr> <tr> <td>1955</td> <td>74.17</td> <td>69.17</td> </tr> <tr> <td>1956</td> <td>73.33</td> <td>68.33</td> </tr> <tr> <td>1957</td> <td>72.50</td> <td>67.50</td> </tr> <tr> <td>1958</td> <td>71.67</td> <td>66.67</td> </tr> <tr> <td>1959</td> <td>70.83</td> <td>65.83</td> </tr> <tr> <td>After 1959</td> <td>70.00</td> <td>65.00</td> </tr> </tbody> </table> | <i>Worker Born</i> | <i>Worker</i> | <i>Spouse</i> | 1943–1954 | 75.00% | 70.00% | 1955 | 74.17 | 69.17 | 1956 | 73.33 | 68.33 | 1957 | 72.50 | 67.50 | 1958 | 71.67 | 66.67 | 1959 | 70.83 | 65.83 | After 1959 | 70.00 | 65.00 | FRA depends on the year the worker was born. <table border="1"> <thead> <tr> <th><i>Worker Born</i></th> <th><i>Full Retirement Age</i></th> </tr> </thead> <tbody> <tr> <td>1943–1954</td> <td>66 yrs, 0 months</td> </tr> <tr> <td>1955</td> <td>66 yrs, 2 months</td> </tr> <tr> <td>1956</td> <td>66 yrs, 4 months</td> </tr> <tr> <td>1957</td> <td>66 yrs, 6 months</td> </tr> <tr> <td>1958</td> <td>66 yrs, 8 months</td> </tr> <tr> <td>1959</td> <td>66 yrs, 10 months</td> </tr> <tr> <td>After 1959</td> <td>67 yrs, 0 months</td> </tr> </tbody> </table> | <i>Worker Born</i> | <i>Full Retirement Age</i> | 1943–1954 | 66 yrs, 0 months | 1955 | 66 yrs, 2 months | 1956 | 66 yrs, 4 months | 1957 | 66 yrs, 6 months | 1958 | 66 yrs, 8 months | 1959 | 66 yrs, 10 months | After 1959 | 67 yrs, 0 months | Delaying benefits past FRA increases benefits as follows: <table border="1"> <thead> <tr> <th><i>Worker Born</i></th> <th><i>Increase in Benefits Each Year After FRA</i></th> </tr> </thead> <tbody> <tr> <td>1931–1932</td> <td>5.0%</td> </tr> <tr> <td>1933–1934</td> <td>5.5</td> </tr> <tr> <td>1935–1936</td> <td>6.0</td> </tr> <tr> <td>1937–1938</td> <td>6.5</td> </tr> <tr> <td>1939–1940</td> <td>7.0</td> </tr> <tr> <td>1941–1942</td> <td>7.5</td> </tr> <tr> <td>After 1942</td> <td>8.0</td> </tr> </tbody> </table> | <i>Worker Born</i> | <i>Increase in Benefits Each Year After FRA</i> | 1931–1932 | 5.0% | 1933–1934 | 5.5 | 1935–1936 | 6.0 | 1937–1938 | 6.5 | 1939–1940 | 7.0 | 1941–1942 | 7.5 | After 1942 | 8.0 |
| <i>Worker Born</i> | <i>Worker</i> | <i>Spouse</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1943–1954 | 75.00% | 70.00% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1955 | 74.17 | 69.17 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1956 | 73.33 | 68.33 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1957 | 72.50 | 67.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1958 | 71.67 | 66.67 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1959 | 70.83 | 65.83 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| After 1959 | 70.00 | 65.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Worker Born</i> | <i>Full Retirement Age</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1943–1954 | 66 yrs, 0 months | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1955 | 66 yrs, 2 months | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1956 | 66 yrs, 4 months | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1957 | 66 yrs, 6 months | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1958 | 66 yrs, 8 months | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1959 | 66 yrs, 10 months | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| After 1959 | 67 yrs, 0 months | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Worker Born</i> | <i>Increase in Benefits Each Year After FRA</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1931–1932 | 5.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1933–1934 | 5.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1935–1936 | 6.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1937–1938 | 6.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1939–1940 | 7.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1941–1942 | 7.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| After 1942 | 8.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Earnings Limit/Benefits Reduction | Years before individual reaches full retirement age, benefits are reduced by \$1 for each \$2 earned over \$18,240. | <ul style="list-style-type: none"> • In year FRA is reached (months up to FRA only) benefits are reduced by \$1 for each \$3 earned above \$48,600. • Month FRA reached and later, there is no limit on earnings. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Table 2. Social Security Spousal Benefits – Age 62

Primary and spousal benefits at age 62
(benefits based on a \$1,000 primary insurance amount)

| Year of birth ^a | Normal (or full) retirement age | Number of reduction months ^b | Primary | | Spouse | |
|----------------------------|---------------------------------|---|---------|--------------------------------|--------|--------------------------------|
| | | | Amount | Percent reduction ^c | Amount | Percent reduction ^d |
| 1937 or earlier | 65 | 36 | \$800 | 20.00% | \$375 | 25.00% |
| 1938 | 65 and 2 months | 38 | 791 | 20.83% | 370 | 25.83% |
| 1939 | 65 and 4 months | 40 | 783 | 21.67% | 366 | 26.67% |
| 1940 | 65 and 6 months | 42 | 775 | 22.50% | 362 | 27.50% |
| 1941 | 65 and 8 months | 44 | 766 | 23.33% | 358 | 28.33% |
| 1942 | 65 and 10 months | 46 | 758 | 24.17% | 354 | 29.17% |
| 1943-1954 | 66 | 48 | 750 | 25.00% | 350 | 30.00% |
| 1955 | 66 and 2 months | 50 | 741 | 25.83% | 345 | 30.83% |
| 1956 | 66 and 4 months | 52 | 733 | 26.67% | 341 | 31.67% |
| 1957 | 66 and 6 months | 54 | 725 | 27.50% | 337 | 32.50% |
| 1958 | 66 and 8 months | 56 | 716 | 28.33% | 333 | 33.33% |
| 1959 | 66 and 10 months | 58 | 708 | 29.17% | 329 | 34.17% |
| 1960 and later | 67 | 60 | 700 | 30.00% | 325 | 35.00% |



Social Security Benefits

Effect of Early or Delayed Retirement on Retirement Benefits

Benefit, as a percentage of [Primary Insurance Amount \(PIA\)](#), payable at ages 62-67 and age 70

| Year of birth | Normal Retirement Age (NRA) | Credit for each year of delayed retirement after NRA (percent) | Benefit, as a percentage of PIA, beginning at age-- | | | | | | |
|----------------|-----------------------------|--|---|------------------|------------------|------------------|--------------------|---------------------|--------------------|
| | | | 62 | 63 | 64 | 65 | 66 | 67 | 70 |
| 1924 | 65 | 3 | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 103 | 106 | 115 |
| 1925-26 | 65 | 3 $\frac{1}{2}$ | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 103 $\frac{1}{2}$ | 107 | 117 $\frac{1}{2}$ |
| 1927-28 | 65 | 4 | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 104 | 108 | 120 |
| 1929-30 | 65 | 4 $\frac{1}{2}$ | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 104 $\frac{1}{2}$ | 109 | 122 $\frac{1}{2}$ |
| 1931-32 | 65 | 5 | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 105 | 110 | 125 |
| 1933-34 | 65 | 5 $\frac{1}{2}$ | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 105 $\frac{1}{2}$ | 111 | 127 $\frac{1}{2}$ |
| 1935-36 | 65 | 6 | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 106 | 112 | 130 |
| 1937 | 65 | 6 $\frac{1}{2}$ | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 106 $\frac{1}{2}$ | 113 | 132 $\frac{1}{2}$ |
| 1938 | 65, 2 mo. | 6 $\frac{1}{2}$ | 79 $\frac{1}{6}$ | 85 $\frac{5}{9}$ | 92 $\frac{2}{9}$ | 98 $\frac{8}{9}$ | 105 $\frac{5}{12}$ | 111 $\frac{11}{12}$ | 131 $\frac{5}{12}$ |
| 1939 | 65, 4 mo. | 7 | 78 $\frac{1}{3}$ | 84 $\frac{4}{9}$ | 91 $\frac{1}{9}$ | 97 $\frac{7}{9}$ | 104 $\frac{2}{3}$ | 111 $\frac{2}{3}$ | 132 $\frac{2}{3}$ |
| 1940 | 65, 6 mo. | 7 | 77 $\frac{1}{2}$ | 83 $\frac{1}{3}$ | 90 | 96 $\frac{2}{3}$ | 103 $\frac{1}{2}$ | 110 $\frac{1}{2}$ | 131 $\frac{1}{2}$ |
| 1941 | 65, 8 mo. | 7 $\frac{1}{2}$ | 76 $\frac{2}{3}$ | 82 $\frac{2}{9}$ | 88 $\frac{8}{9}$ | 95 $\frac{5}{9}$ | 102 $\frac{1}{2}$ | 110 | 132 $\frac{1}{2}$ |
| 1942 | 65, 10 mo. | 7 $\frac{1}{2}$ | 75 $\frac{5}{6}$ | 81 $\frac{1}{9}$ | 87 $\frac{7}{9}$ | 94 $\frac{4}{9}$ | 101 $\frac{1}{4}$ | 108 $\frac{3}{4}$ | 131 $\frac{1}{4}$ |
| 1943-54 | 66 | 8 | 75 | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 108 | 132 |
| 1955 | 66, 2 mo. | 8 | 74 $\frac{1}{6}$ | 79 $\frac{1}{6}$ | 85 $\frac{5}{9}$ | 92 $\frac{2}{9}$ | 98 $\frac{8}{9}$ | 106 $\frac{2}{3}$ | 130 $\frac{2}{3}$ |
| 1956 | 66, 4 mo. | 8 | 73 $\frac{1}{3}$ | 78 $\frac{1}{3}$ | 84 $\frac{4}{9}$ | 91 $\frac{1}{9}$ | 97 $\frac{7}{9}$ | 105 $\frac{1}{3}$ | 129 $\frac{1}{3}$ |
| 1957 | 66, 6 mo. | 8 | 72 $\frac{1}{2}$ | 77 $\frac{1}{2}$ | 83 $\frac{1}{3}$ | 90 | 96 $\frac{2}{3}$ | 104 | 128 |
| 1958 | 66, 8 mo. | 8 | 71 $\frac{2}{3}$ | 76 $\frac{2}{3}$ | 82 $\frac{2}{9}$ | 88 $\frac{8}{9}$ | 95 $\frac{5}{9}$ | 102 $\frac{2}{3}$ | 126 $\frac{2}{3}$ |
| 1959 | 66, 10 mo. | 8 | 70 $\frac{5}{6}$ | 75 $\frac{5}{6}$ | 81 $\frac{1}{9}$ | 87 $\frac{7}{9}$ | 94 $\frac{4}{9}$ | 101 $\frac{1}{3}$ | 125 $\frac{1}{3}$ |
| 1960 and later | 67 | 8 | 70 | 75 | 80 | 86 $\frac{2}{3}$ | 93 $\frac{1}{3}$ | 100 | 124 |

Note: Persons born on January 1 of any year should refer to the previous year of birth.