

Test Your Knowledge of Social Security

Always an important topic of interest, the state of social security is likely to be an ongoing concern in the news. Test your knowledge with this quiz.

1. Social Security is running out of money. True or False?

False. The latest report of the trustees of Social Security says that even if Congress takes no action, the system is projected to be able to continue paying full benefits until 2041. It's likely that Congress will make some repairs to Social Security—but you should still plan to rely primarily on your own savings when you retire.¹

2. Your Social Security benefit is based on income during your five peak earning years. True or False?

False. The benefit is actually based on your income during the 35 years in which you earned the most. If you don't have 35 years of earnings, your benefit will be calculated according to all the years in which you did earn income.¹

3. The longer you wait to take your benefit, the bigger it will be. True or False?

True. To collect "full" benefits, you must wait until you reach full retirement age to apply for them. That used to be age 65 but is gradually increasing to age 67, depending on when you were born. You can start collecting benefits at age 62, but they will be reduced for each year you begin before you reach full retirement age. If you hold off until you're past your full retirement age, you can increase the benefit by as much 8% per year until you reach age 70.²

¹2008 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Trust Funds, March 2008

²socialsecurity.gov.