

## **Social Security Statements ~ by Rick Bloom**

Most of the time when you read an article on Social Security it usually deals with one of two issues. The first is more of a theoretical discussion on whether Social Security is going to be around or not, and the second deals with when you should collect Social Security. Should you collect at 62, 66, and should your spouse collect at the same time you do? Those are mostly the issues that people discuss. They are important particularly when it comes to a strategy regarding when you collect Social Security. However, what very rarely gets mentioned and what is equally as important, is whether the Social Security Administration has the right information regarding your earnings.

In the past, the Social Security Administration would send you a yearly statement that gave you your Social Security information and guesstimated your benefits. However, in 2011 due to budget pressures, the Social Security Administration stopped sending out those statements. As a result, the Social Security Administration set up an on-line tool in order to help people verify their income. Unfortunately, only about 10 million wage earners, who represent about six percent of all workers, have signed up for it. The reality of the situation is that Social Security makes mistakes. All sorts of things can happen such as your employer reported your earnings using the wrong Social Security Number, your employer incorrectly reported your earnings or you changed your name as a result of a marriage or divorce and failed to report it to Social Security.

Mistakes happen. Unfortunately, Social Security has a three-year statute of limitation and as a result if you do not correct your earnings or other mistakes within a three-year period you can be out of luck. Therefore, something that everyone should do whether they are getting ready to collect Social Security or are 30 years away from Social Security is to confirm their Social Security earnings.

The best way to confirm your Social Security earnings and your benefits is to create an account through Social Security. Social Security has something called “my Social Security” which allows you to review your earnings record and to also receive a guesstimate of what your Social Security Benefits would be. My recommendation is that at least once a year you go online to review your account for accuracy. It is important to remember that Social Security is not a government assistance or welfare program. As far as I’m concerned, it is an insurance policy that you and your employer have paid into and you’re entitled to receive all the benefits you have earned. The one way to assure yourself that you do receive your benefits is to confirm your Social Security earnings.

For those who do not go on-line or do not wish to set up an on-line statement with Social Security, there is some relief on the way. The Social Security Administration announced that beginning in September they will once again, send statements to taxpayers; however, the statements will only be mailed out every five years. Social Security earning statements will resume for workers who will be 25, 30, 35, 40, 45, 50, 55 and 60. In addition, those over 60 who are not receiving Social Security Benefits and who do not register with “my Social Security” will also receive statements. Although, I

think it is a positive move that Social Security is once again sending out statements, the reality is that checking your Social Security every five years is probably not sufficient. Particularly, in this world where people change family situations and jobs relatively quickly, it pays to check Social Security more frequently. Therefore, my recommendation is for everyone to visit Social Security's website and to sign up for "my Social Security."

In this high tech world that we live in, people always assume if they receive a statement it is correct. Unfortunately, that is wrong. Whether it is banks, mutual funds or other financial institutions, mistakes do happen. Just like it's important that we reconcile our checkbooks every month to double check the bank, it's also important we do that with Social Security. In today's world it pays to be proactive and if you want to make sure you receive every benefit from Social Security that you're entitled to, make sure you spend some time and confirm your Social Security earnings.

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