

\$800 BILLION WAS PAID OUT BY SOCIAL SECURITY LAST YEAR – YOUR TURN TO BENEFIT BECKONS

By David Gould, Staff Editor

American workers check their pay stubs, lament how much is withheld for Social Security and Medicare, then turn on the TV news and hear once again how much fiscal pressure these safety-net programs are under.

Some of the younger ones become cynical and decide they're paying into a fund that will be gone by the time they retire. Even those who believe the programs will endure have a negative association with Social Security, based on comments from financial planners about over-reliance on Social Security benefits for retirement income.

That's all well and good. Meanwhile, Social Security paid out \$798.7 billion in benefits last year. Among the recipients were retirees who, for the last 25 years or so, have been hearing about the program's solvency troubles. These folks all deposited their monthly checks and they'll cash the checks that come next month, too.

If there were no Internet—or if the Social Security Administration didn't have a well-designed website, which it does—it would be difficult to offer useful advice to golf instructors about the program. But the SSA's website is indeed a valuable tool and resource as you move along in your working life, planning as best you can for your last couple decades “on this side of the grass,” as Arnold Palmer used to say.

If you haven't done so already, there is no decent reason not to go to www.ssa.gov and open an online account. At the same time, you may want to go to the personal/financial files on your computer and create a folder where you can store screenshots of your projected monthly cash benefit.

That information comes when you click open your “myssa” page (a month or two after you've filed your federal taxes each year) and capture what the SSA is telling you about your future monthly amount. You then store these annual screen grabs marked with the date of their capture in a cumulative file. Your account with the SSA does a good job of archiving annual taxable-income amounts (for Social Security purposes—these max out at \$128,400 currently), as you'll see by clicking the historical “Earnings Record” button, but the ups and downs of your projected benefit is something you'll need to store yourself if you want to track it. About \$4,000



monthly is currently the top end, but that's nothing to sneeze at. And if you're part of a dual-income couple the combined benefit can be pretty significant.

And the reason for compiling these records? They are more or less psychological. But as we all know, the process of working, saving, budgeting, investing and planning for income security in old age has a heavy psychological element to it.

So, if Joe Golf Instructor can scroll through annual screenshots that track the steady increase (there can be downticks, too, in years when taxable-income goes down) in what the government at least *expects* to be paying him each month from his mid-60s onward, it's a nice motivator. Those benefits, as projected, can help Joe continue psyching himself up to prepare for late-life financial dealings, including maximizing investments in IRAs and other plans that come with preferential tax treatment.

It's more or less a national pastime to question how the government does business and predict financial train wrecks for our most prominent social programs. But while you're indulging in that sort of commentary, set up an account on the Social Security website and keep tabs on what the feds will one day owe you. **PG**