

Navigating Social Security: Why the “Wait Until 70” Strategy Needs a Second Look

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“Just wait until 70.” If you have spent much time reading retirement advice, you have probably heard that sentence delivered as though it were carved into stone. Waiting can produce a larger monthly Social Security check. But a larger check does not automatically mean a better decision for every household.

The real question is not simply, “How do I get the biggest monthly benefit?” It is, “Which claiming strategy fits my health, my spouse, my other income sources, and the retirement I actually want to live?” That deserves more than a one-size-fits-all answer.

The Math Behind Waiting: Bigger Checks, Fewer Checks

For someone whose full retirement age (FRA) is 67, Social Security generally reduces the monthly retirement benefit to 70% of the full amount if claimed at 62. Delaying from 67 to 70 earns delayed retirement credits totaling 24%, or about 8% per year after FRA. That 8% is an increase in the Social Security benefit, **not** an investment return.

Suppose your benefit at age 67 would be \$2,000 per month. Using today’s dollars and ignoring cost-of-living adjustments, taxes, the earnings test, and other individual factors:

Claim at 62: about \$1,400 per month.

Claim at 67: about \$2,000 per month.

Claim at 70: about \$2,480 per month.

By the time the age-70 claimant starts receiving checks, the age-62 claimant has collected approximately **\$134,400** over eight years ($\$1,400 \times 12 \times 8$). Starting at 70, the later claimant receives \$1,080 more per month. In this simplified comparison, it takes about 124½ months to catch up, placing the cumulative-dollar break-even point at approximately **age 80 and four months**.

That is a useful illustration, not a universal forecast. Actual results can change with annual cost-of-living adjustments, taxes, investment returns on amounts received early, continued employment, the age benefits begin, and how long you live.

What the Break-Even Number Does Not Tell You

There are sound reasons to claim early. Maybe you have stopped working, need dependable cash flow now, or want to reduce withdrawals from your personal savings during the early years of retirement. Receiving benefits sooner can give your investments more breathing room. But that outcome is not automatic; it depends on what those investments earn, what you spend, and what taxes apply.

There are also sound reasons to wait. Someone who lives well past the break-even age may collect more in lifetime benefits by delaying. For married couples, the higher earner's decision may also affect the surviving spouse: delayed retirement credits can increase the benefit available to an eligible survivor. Social Security also provides cost-of-living adjustments, something a fixed annuity payment may not provide.

And one practical detail matters enormously: if you claim before full retirement age while still working, the Social Security earnings test may temporarily withhold some benefits above the applicable earnings limit. Claiming age should never be decided from a single comparison chart.

Understanding Social Security's Funding Pressure

Social Security faces a genuine long-term financing challenge. According to the **2026 Social Security Trustees Report**, the Old-Age and Survivors Insurance trust fund is projected to deplete its reserves in the **fourth quarter of 2032**. At that point, continuing program income is projected to cover about **78% of scheduled retirement and survivor benefits** under current law.

You may also see 2034 in the headlines. That is the projected depletion date **if** the retirement/survivor and disability trust funds were combined, something that would require a change in law. The hypothetical combined funds could cover about 83% of scheduled benefits at that point.

These are projections, not a declaration that checks will stop or that a specific cut has already been enacted. Workers would still pay payroll taxes, benefits would still be funded by continuing revenue, and Congress could change the rules before reserves are exhausted. But pretending the funding issue does not exist is not a retirement plan either.

Re-Evaluating the Conventional Advice

Rather than automatically claiming at 62 or waiting until 70, start with your household's bigger picture. How much income must arrive each month? Which bills are essential? How much flexibility do you need? What happens if one spouse dies? And how much of your retirement are you comfortable leaving exposed to market withdrawals?

Some people also consider investing Social Security payments they do not immediately need. A taxable brokerage account may offer flexibility, while a Roth IRA has contribution eligibility and annual limits that must be met. Cash-value life insurance introduces its own costs, underwriting, and policy requirements. None is a magic tax-free parking place for every retiree.

The point is choice: claiming Social Security is one decision inside a much larger retirement income design.

Building Customized Income Alongside Social Security

Imagine several income sources turning on at different stages of retirement. One handles essential bills. Another begins later to help with increasing expenses. A third adds a layer of income if retirement lasts longer than expected. Rather than relying on one account to do every job, each dollar has a defined assignment.

For illustration only, picture \$4,000 a month beginning at 65, an additional \$800 a month at 70, and another \$1,000 at 75. That is \$4,000, then \$4,800, then \$5,800 in total monthly income. These hypothetical amounts demonstrate a **laddering concept**; they are not a quote, forecast, or promise that any particular premium or annuity contract could produce those payments.

One way to build such a ladder is with carefully selected annuity contracts, structured so different income benefits begin at different times. Subject to the insurer's claims-paying ability and the specific contract terms, certain annuities can provide payments for a stated period or for life. Annuities can complement Social Security; they do not replace its inflation adjustments, survivor rules, or federal benefit structure.

A Critical Distinction: Income Guarantees Are Not Account Returns

Annuity illustrations sometimes highlight figures such as an "8% roll-up." That may describe the growth of a **benefit base used to calculate future income**, not an 8% annual return on money available to withdraw. The actual accumulation or cash-surrender value follows the contract's crediting rules and can be affected by charges and withdrawals.

Likewise, "market protection" and "principal protection" need definitions. Certain fixed and fixed indexed annuities can protect credited contract value from direct losses caused by index declines, but surrender charges, rider costs, and excess withdrawals may reduce what you can take out. A death benefit, spousal continuation, access to principal, and lifetime income are **not automatically bundled together**. They must be verified in the specific contract.

Annuity guarantees depend on the financial strength and claims-paying ability of the issuing insurance company, not the federal government. Before committing, compare the income terms, insurer, surrender schedule, liquidity, costs, beneficiaries, and what remains available if plans change.

Taking Control of Your Financial Future

There is no medal for collecting the biggest monthly Social Security check if the rest of the household plan is shaky. Nor is claiming at 62 automatically a victory because it brings cash in sooner. Both can be right. Both can be wrong.

A thoughtful plan weighs the claiming decision alongside retirement withdrawals, guaranteed income opportunities, taxes, longevity, spouse and survivor needs, liquidity, and legacy goals. Laddered income is one strategy worth evaluating, especially for households that value predictable cash flow, but it must be designed around the person rather than the product.

So, should you wait until 70? **Maybe.** But “maybe” is precisely why the question deserves a second look.

Partner With Us, No Matter Where You Live

A resilient retirement income strategy should not depend on whether the right professional happens to work down the street. Through secure virtual meetings and coordinated planning, Symphony Financial Group helps individuals and families evaluate Social Security decisions and income strategies in states where we are appropriately licensed.

If you would like to see how Social Security fits with your savings, investments, and potential annuity income, reach out to our team. Let's build a retirement plan around your life, not a blanket rule about your birthday.

Important Information

This article is for general educational purposes and is not individualized financial, legal, or tax advice. Social Security calculations are simplified examples, not benefit estimates for a particular person. Annuity features, guarantees, fees, liquidity, tax treatment, and death benefits vary by contract. Guarantees are subject to the issuing insurer's claims-paying ability. Review product disclosures and consult qualified professionals before making retirement decisions.

Sources for Further Reading

Social Security Administration, [Retirement benefit reductions for full retirement age 67 and delayed retirement credits](#).

Social Security Administration, [2026 Trustees Report Summary and benefits while working](#).

Social Security Administration, [spousal and survivor benefit considerations](#).

National Association of Insurance Commissioners, [Buyer's Guide to Fixed Deferred Annuities](#); U.S. Securities and Exchange Commission, [Annuities overview](#).