Lisaveta Ramotar Talks About the 5 Biggest Social Security Mistakes People Make

NEW YORK , NY, UNITED STATES, April 9, 2020 /EINPresswire.com/ -- With expertise in finance and investment management, Lisaveta Ramotar says she is frequently sought after for advice. “Most of the people I know are in the planning stages — planning for retirement over the next 5-10 years,” she adds. She finds that especially in the United States, many have questions about Social Security, Lisa says, that this makes Social Security an important part of proper retirement planning. “It’s good to start planning early”, Lisa Ramotar adds. Without a proper plan in place, there is no telling what would become of a person’s retirement plans. Here, Lisaveta Ramotar talks about the 5 biggest mistakes she sees people making regarding their Social Security benefits.

“Probably the biggest mistake I know of, and it happens all over the world with similar systems, is the time people file for Social Security”, Lisaveta Ramotar says. “Many people hit the age of 62 and get excited because they can get this extra money from the government”, she says. She points out that a person’s social security check could be larger if they wait for that income for another 3 – 4 years.

Compounding that problem is drawing Social Security at the age of 62 and continuing to work, Lisa Ramotar points out. She adds that there is a penalty of one dollar for every two dollars earned over a certain threshold. “While you will have this withheld income averaged back once you hit full retirement age, it still will cut into your checks and reduce your income even further”. Lisa Ramotar says talking to a good financial planner can help an investor avoid some of these mistakes.

“Another mistake I see all the time is that people stop working early”, she says. “If you stop working let’s say around the age of 60, you’re going to have some years before you can get your full retirement”, she explains. Since Social Security averages the highest paying 35 years of a person’s life, if a retiree does not have that full 35 years, then the amount for those years that are missing will be zero. Lisaveta Ramotar says that that would bring the average down significantly, and it affects the amount of income available at retirement.

“One other mistake I hear of from time to time is that some people believe they need to wait until age 70 to maximize their income, Lisaveta Ramotar says. This just is not the case anymore when one considers spousal benefits, she explains. In fact, spousal benefits will not increase like the regular benefits should a person choose to wait, she stresses. “It’s a matter of planning it out and making sure you stick to the plan”, Lisa Ramotar says.

Finally, Lisaveta Ramotar says what a lot of people do not know, and are surprised at is that their Social Security benefits are taxed. “The Federal Government always taxes your Social Security”, she says, but there are a handful of states* that do not tax those benefits. Those are places a retiree could be enjoying state-tax-free benefits and could be considered if there are plans to move after retirement, she says.

Of course, this information could change at any time, she adds, so “I definitely recommend these things as some of the topics you’ll want to discuss with your own financial planner to see how you’re affected”.

handful of states* - https://www.kiplinger.com/slideshow/retirement/T051-S001-states-that-tax-social-security-benefits/index.html

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