

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

them a financial boost during their retirement. Millions of people receive Social Security benefits—62 million in April 2022 alone.

Justin Hatch • Jun. 13, 2022



For nearly 100 years, American workers have received Social Security benefits to give them a financial boost during their retirement. Millions of people receive Social Security benefits—[62 million](#) in April 2022 alone. It might seem that paying Social Security taxes and receiving a benefit later in life is a pretty cut-and-dried process at this point.

Although Social Security is a common way for people to fund some of their

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Individuals can start drawing Social Security benefits anywhere between ages 62 and 70. However, the decision on the timing of Social Security payments is different for everyone. Taking benefits at an earlier age will mean smaller payments, but it could still be a good choice for some people.

Consulting with a CPA about a person's financial situation helps people make the best decision on whether to collect Social Security as soon as possible or wait a few years. If a person is still working and chooses to take Social Security before their full retirement age, their income may change the amount of money they receive. A CPA can give valuable advice on how the timing of Social Security can affect retirement cash flow.

Maximize Potential Benefits during Earning Years

As individuals plan for retirement during their employment years, a CPA can help ensure they are maximizing their potential Social Security benefits. These benefits are calculated based on the highest-earning **35 years** during a person's working life. Consulting with a CPA throughout their earning years can help people determine whether they can increase earned income as they work or if they should continue to work a few more years to compile more years on the job with a higher income.

There is also **a cap** on how much income is taxed for Social Security. If a person makes more than that upper limit, Social Security taxes will be capped based on the maximum allowed amount. A person should not count on additional Social Security benefits on income above the limit. A CPA is an excellent resource to find additional wise investments for income to prepare for retirement.

See the Long-Term, Big Picture

CPAs are big-picture experts. While an individual is focused on their current earnings, a CPA can forecast and plan the best way to make those earnings last a

lifetime. If a person is still working and they take Social Security benefits, some of the

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Social Security can be especially complicated for people who are [self-employed](#). These individuals are responsible for both the employer and employee Social Security taxes. When in this position, it can be tempting to keep earnings low to reduce the tax burden, especially when it is hard to get a business off the ground. Unfortunately, this would impact eventual Social Security payouts, as the benefit is based on the income earned over the years.

CPAs who are knowledgeable about the ins and outs of Social Security and building a business can help business owners be successful in both areas. A CPA will know a client's business and finances and give sound advice to grow the business. While mountains of data can be lost on a small business owner, their CPA can [analyze the data](#) and make sense of it. When a business owner can trust their CPA, they can be strategic about spending and won't feel the need to reduce earnings and avoid Social Security taxes, avoiding the pitfalls that impede so many in their position.

Many people count on Social Security benefits to help with finances during retirement. Getting the most out of Social Security can be difficult, especially if a person does not know important details like when to take benefits and how benefit amounts are calculated. Consulting a knowledgeable CPA during working years and when approaching retirement can ensure that Social Security benefits are maximized.

=====

Justin Hatch is the CEO and co-founder of [Reach Reporting](#).

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us