



Late Life Love: To Tie the Knot or Not?

Older couples who want to spend the rest of their lives together have much to consider. First, even grown kids may be upset about someone replacing their deceased parent. Having made peace with that loss, there remains the question of what will happen to their inheritance. Second, everyone involved may raise legitimate concerns about whether

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their parent will, in the future, be able to bear the emotional, physical and financial burden of caring for an aging and perhaps disabled partner.

Is marriage the right choice? What about cohabitation instead? While some American communities may frown on cohabiting, others could care less. With the Baby Boomers leading the way, cohabitation numbers for people 65 and older have tripled in the past decade, from 193,000 in 2000 to 575,000 in 2010, according to U.S. census figures. The appeal of cohabitation may be in its simplicity. With fewer legal and financial implications, cohabitation is indeed becoming a more practical choice for many older adults.

Before making a choice about what works best for the couple, there should be open lines of communication between the love birds, their attorneys and the adult children.

One of the first things everyone wants to know is the impact of late-life marriage on the pocketbook. How will Mom’s remarriage affect the retirement income she receives based on Dad’s work history? The rules for various income retirement plans are fairly complex and depend on many variables. Let us look at common sources of income among elderly survivors, usually women.

Will my Social Security income be affected by later-life marriage? If you are the widow (or widower) of a person

who worked long enough under Social Security to receive benefits, these rules apply (www.ssa.gov):

- A widow or widower may receive full Social Security benefits at full retirement age for survivors or reduced benefits as early as age 60.
- A disabled widow or widower may begin receiving benefits as early as age 50 if the disability started before the worker’s death or within seven years after the worker’s death.
- Here’s the kicker: If a widow or widower remarries before reaching the age of 60 (age 50 if disabled), then she cannot receive benefits as a surviving spouse while married.
- Remarriage after age 60 (age 50 if disabled) is fine with the SSA, and she will continue to qualify for benefits on the deceased spouse’s Social Security record.
- If one plans carefully, however, and chooses a spouse who receives a higher Social Security benefit than the deceased spouse, then the newly married widow (or widower) will receive a combination of benefits that equals the higher amount.
- What about divorce? If a surviving divorced spouse was married 10 years or more he or she may receive Social Security payments based on the former spouse’s work history.

My husband worked for a company

that provided a pension upon his retirement. How will my survivor's pension be affected by my re-marriage?

When a married spouse retires, his company's pension benefit is usually paid out with a "joint and survivor's benefit." In order to opt out of the survivor's annuity, the worker and his spouse must sign a waiver of their right to a survivor benefit. If the worker spouse dies first, the surviving spouse is entitled to a minimum of 50 percent of the decedent's pension benefit, assuming the worker was vested in the pension plan. There is no penalty if the surviving spouse remarries after she begins to receive the pension benefit. Check the company's plan to determine if there is a marriage penalty if she remarries before she is entitled to receive benefits.

My wife retired from the U.S. Civil Service, so how will my remarriage affect my survivor's benefit?

For workers hired prior to 1984, the Civil Service benefit plan was much like a company pension plan described above. Workers hired after 1984 are covered by the Federal Employees Retirement System. This system consists of three components: Social Security, a basic pension, and the optional Thrift Savings Plan (essentially a 401(k)). There is no remarriage penalty for the basic pension plan or the Thrift Savings Plan. (See www.opm.gov/retire/pubs/pamphlets/fers.asp)

My deceased husband retired from military service. How will my survivor's benefit be affected by marrying again?


Prior to 1972, military retirees were enrolled in the "Retired Serviceman's Family Protection Plan" (RSFPP). The RSFPP offered annuity options for the spouse as well as the children. In order to retain this benefit, the surviving spouse may not remarry before age 60. If that subsequent

marriage ends by judicial decree (not divorce) or annulment, then the widow may resume receiving the military benefit. 10 U.S.C. §§1431-1446.

The RSFPP was replaced by the "Survivor Benefit Plan" (SBP) on Sept. 21, 1972. This is an annuity plan that offers options for the spouse and children. At the serviceman's death, the spouse may receive up to 55 percent of his gross retirement pay. In order to retain this benefit, the surviving spouse may not remarry before the age of 55, but if the subsequent marriage ends by death or divorce, the military annuity payments may resume. 10 U.S.C. §§1447-1445.

What is the impact of marriage on a deceased veteran's benefits?

If the surviving spouse remarries before age 57, she will lose her veterans' survivor benefit for Dependency and Indemnity Compensation (DIC). The widow or widower must remain unmarried to receive the Wartime Service Pension or the Aid and Attendance pension. The VA rules cheerily advise that a subsequent death or divorce will restore the surviving spouse to favored status, and she may reapply for survivor benefits.

With an understanding of the impact of a marriage on retirement and other benefits, why not go on and order up the preacher and the limo? Well, the informed later life lovers must also consider the impact of their union on long-term care planning, to be discussed next time in *Senior Moments*. 

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