



## Ask Bob: Do I Really Have to Pay Social Security Back \$20,000?

By Robert Powell | Feb 20, 2019 9:32 AM EST

**Question:** *I'm married, age 70. My wife, age 67, started receiving Social Security benefits at age 64.*

*In February, 2016, at age 68 and still working, I filed for spousal benefits based on the Social Security amount my wife was receiving. She was 65 at that time and receiving \$1,400 per month. From July, 2016, I received \$700 a month in spousal benefits until March, 2018, when I turned 70.*

*In March, 2018, I reached 70 years of age and continued to work. I started to receive my own Social Security amount of \$3,200 and at that time the spousal benefits of the \$700 ended.*

*This past week, I received a letter from the Social Security administration, saying I owe them \$20,259. The letter said I was "paid \$20,259 for July 2016 through October 2018, we paid you \$20,259 more than you were due."*

***When I filed for spousal benefits, my wife was over 62 and was receiving her own Social Security benefits. I was eligible for my benefits but I suspended mine until age 70.***

***When I filed for spousal benefits, I did not know nor was I informed that I would need to repay the benefits if I kept working.***

***Do I actually owe the \$20,259? Can I appeal?***

Answer: Based on the information provided, it appears the Social Security Administration is wrong and you should file an appeal, says Donna Clements, manager for Social Security and Medicare Solutions at Mercer.

The Bipartisan Budget Act of 2015 (BBA) enacted on Nov. 2, 2015, closed loopholes that were in the Senior Citizen's Freedom to Work Act of 2000. Based on their birthdays, Clements says, the information below should apply:

### **Claim Spouse's Benefit Now and Worker's Benefit Later**

The BBA changed the eligibility for this retirement strategy. For people born in 1953 or earlier, Clements notes, if you are married and attained full retirement age (FRA), you can claim a spouse's benefit and then switch to a benefit based on your own work record at a later date. This allows a person to collect a spouse's benefit now while earning DRCs (deferred retirement credits) up to age 70 on their own work record. People who are younger than FRA are not allowed to do this. For people born in 1954 or later (age 62 in 2016 or later), this retirement strategy is no longer available.

*Got questions about the new tax law, Social Security, Medicare, retirement, investments, or money in general? Want to be considered for a Money Makeover? Email [Robert.Powell@TheStreet.com](mailto:Robert.Powell@TheStreet.com). Kim McSheridan assisted with this report.*

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