

Attorney Timothy P. Crawford, CPA, CELA*, CAP**
wanted to share this information with you.

Social Security Shuts Off Benefits “Do-Over” Strategy

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As ElderLawAnswers warned in a previous article, the Social Security Administration has eliminated a loophole that had allowed Social Security recipients to start receiving benefits when they first became eligible without being permanently locked in to the lower benefit level.

Although you can collect Social Security benefits starting at age 62, if you do, your benefits will be significantly lower than if you wait until your full retirement age or even later. About half of Americans file at 62, but "in most cases it's a costly mistake," says retirement journalist Mark Miller.

A little-known provision of Social Security law had allowed beneficiaries to have their cake and eat it, too -- to apply for benefits when they first became eligible and later withdraw their application for early benefits and reapply and receive full retirement benefits. The catch was that the recipient had to pay Social Security back all the money they had pocketed so far. But no interest was due on the benefits received, so the money was in effect an interest-free loan. The policy was designed to provide an escape hatch for those who took early retirement and then went back to work.

Under the new rules, retirees may withdraw their Social Security applications only once and only within 12 months of first receiving benefits.

Due to the payback requirement, the "do-over" strategy was available only to more affluent recipients and was little used, although word had been spreading. In 2007, Social Security processed only about 500 withdrawal applications, but that number had more than doubled to 1,015 in 2009 and processing the new applications was becoming an administrative headache for the agency.

**“Those Who Plan Ahead Win.
Those Who Don’t Plan Ahead Lose.”**

This article is for informational purpose only and is not intended as legal advice. It is recommended that you call Timothy P. Crawford for a free conference to discuss your situation in more detail. Attorney Crawford can be reached at 1-262-634-6659. Please refer to this article when you call.

*Attorney Timothy P. Crawford is a Nationally Board Certified Elder Law Attorney (**CELA**). He has been Board Certified by the National Elder Law Foundation which has been approved as the Sole Certifying Organization for Elder Law Attorneys by the American Bar Association.

Timothy P. Crawford was invited to join the Council of Advanced Practitioners (CAP**) of the National Academy of Elder Law Attorneys (**NAELA**) in August of 2005. **CAP** is a small group of premier elder law attorneys, all of whom have been members of NAELA for at least 10 years, are certified as elder law attorneys by the National Elder Law Foundation, and are AV rated by Martindale Hubbell, a service that provides an independent rating of the quality of attorneys, as one of the top attorneys in the nation.

Attorney Timothy P. Crawford has been selected as a **Fellow** of NAELA. **Fellow** is the highest honor bestowed by the Academy. Selection as a **Fellow** signifies that his peers recognize the lawyer as a model for others and as an exceptional lawyer and leader.

Attorney Timothy P. Crawford has a superb rating of 10 out of 10 with A V V O.

A V V O has awarded to Attorney Timothy P. Crawford the A V V O Client's Choice Award.

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to Protect Their Assets from Nursing Home Care Costs"**

"A majority of text has come from an article prepared by Attorney Howard S. Krooks, friend of Attorney Timothy P. Crawford, is used here with permission."