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CROSS-BORDER WEALTH MANAGEMENT



**Can A Foreign
Spouse Claim U.S.
Social Security?**



Understanding U.S. Social Security Benefits for Canadian Spouses: Eligibility and Requirements

Navigating Spousal and Survivor Benefits Across Borders

We were recently engaged by an American citizen who wanted to know if her Canadian spouse can claim her U.S. Social Security spousal and survivor benefits. Both she and her husband reside in Ontario, Canada.

U.S. Social Security benefits are a vital aspect of retirement planning for many individuals, including those living abroad. For American citizens and certain non-citizens, these benefits can also extend across national borders, providing significant support even when the beneficiary resides in another country. Notably, U.S. Social Security payments can be received by residents in Canada without being subject to U.S. taxation. This Canada/U.S. Tax Treaty provision is particularly advantageous, as it facilitates the maintenance of one's standard of living while avoiding the complexity and financial burden of international double taxation.



Eligibility for U.S. Spousal Social Security Benefits Abroad: Understanding the Impact of Residency and Totalization Agreements

In this ebook, we delve deeper into the conditions under which a foreign spouse—who is not a U.S. citizen and does not reside in the U.S.—is eligible to receive spousal Social Security benefits. A primary concern is the residency requirement. Typically, if a non-U.S. citizen spouse lives outside the United States for six consecutive calendar months, they become ineligible to receive spousal Social Security benefits. This rule is designed to maintain a connection between the beneficiary and the U.S., ensuring that the benefits are serving U.S. citizens or residents who have substantial ties to the country.

However, there are exceptions to this rule, which primarily benefit residents of countries that have Social Security agreements with the United States, known as Totalization Agreements. These agreements allow for the coordination of social security coverage and benefits for people who have worked in both countries. For residents of these countries, including Canada, the United Kingdom, and Australia, the strict residency rules are relaxed. This means that a foreign spouse residing in such countries may still be eligible for spousal benefits under certain conditions, such as reaching full retirement age and having lived with the retired U.S. spouse in the U.S. for at least five years during their marriage. These stipulations help ensure that the foreign spouse has a legitimate, substantial connection to the U.S. Social Security system, qualifying them for benefits even when residing abroad.



Securing U.S. Social Security for Foreign Spouses: Key Eligibility Criteria and Survivor Benefits

The eligibility for spousal Social Security benefits for foreign spouses who reside in countries like Canada, Australia, and the United Kingdom hinges on specific conditions. These rules are crucial for ensuring that the benefits system supports those with strong ties to the United States while living abroad. Here's an expansion of the key criteria:

- 1. Reaching Full Retirement Age:** The foreign spouse must have reached full retirement age (FRA) to qualify for spousal benefits. FRA varies depending on the year of birth of the individual, generally falling between 66 and 67 years. This requirement ensures that benefits are aligned with the standard U.S. Social Security guidelines that apply to domestic recipients.
- 2. Receipt of Social Security by the U.S. Spouse:** The retired spouse who worked in the U.S. must already be receiving Social Security benefits. This criterion confirms that the primary beneficiary qualifies based on their work history and contributions to the Social Security system, thereby extending eligibility to their spouse under spousal benefit provisions.
- 3. Residency Requirement:** The retired U.S. spouse and their foreign spouse must have lived together in the U.S. for at least five years during their marriage. This residency does not need to be continuous but must total five years. This requirement is significant because it establishes a tangible connection to the U.S., reinforcing the notion that the Social Security system is benefiting individuals who have genuinely contributed to or been part of the U.S. socio-economic environment.

In the context of survivor benefits, should the U.S. citizen spouse pass away, the Canadian spouse (or a spouse from other similar countries) may be entitled to survivor benefits, provided they have not remarried. The eligibility for survivor benefits is contingent on meeting the spousal benefits criteria mentioned above. Survivor benefits are a critical aspect of Social Security, designed to provide financial support to spouses who outlive their partners. These benefits can be a lifeline for surviving spouses, helping them maintain financial stability after the loss of a partner.

In essence, these rules ensure that the U.S. Social Security system extends its reach globally in a controlled manner, benefiting those who have established significant ties to the United States and contributing to the economic security of U.S. citizens and their spouses internationally.

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