

Retiring Overseas? Here's What You Need to Know About Banking and Social Security

Admin User · January 25, 2026

Now that all payments are electronically distributed, managing Social Security while living abroad requires a little more thought. Here's everything you need to know about retiring as a U.S. expat.

By Stewart Koesten

Social Security benefits are a crucial source of retirement income for expats. Until recently, retirees received their benefit checks in the mail, regardless of where they lived. However, now that all payments are electronically distributed—either by direct deposit or by a Direct Express® debit card—managing Social Security payments while living abroad requires a little more thought.

First, most retirees eligible for Social Security can receive their payments abroad. There is an exception for those living in a country currently sanctioned by the U.S. or certain other countries that cannot provide the required assurances. Check the Social Security Administration (SSA) website for country-specific policies.

There is also an exception for spousal benefits. Non-U.S. spouses (without a green card) living outside the U.S. for more than six consecutive months could lose benefits unless they meet specific conditions. For example, non-U.S. spouses who have lived in the U.S. for at least five years while married to the Social Security recipient should qualify for benefits abroad. Also, a non-U.S. spouse who is a citizen or resident of countries with a bilateral Social Security agreement with the U.S. can typically receive benefits.

Next, your banking situation will play a role in deciding how to manage your Social Security payments while living abroad. Consider the following scenarios:

A U.S. Bank Account and a Foreign Bank Account

The easiest way to manage retirement benefits while living in another country is to keep a U.S. bank account and open an account with a foreign bank that partners with your domestic bank. Have your benefits deposited into the U.S. account and request periodic wire transfers to your foreign account. Then, use either the foreign bank's debit card or your U.S. debit card for day-to-day expenses.

This method usually requires a couple of days to complete wire transfers. Additionally, understand the exchange rate and fees for currency conversion and international wire transfer costs. Manage your costs by planning transfers to minimize your overall expenses. By understanding these factors, you can efficiently manage your retirement funds and reduce costs while living overseas.

No U.S. Bank Account?

If you do not have a bank account in the U.S., consider direct deposits through the International Direct Deposit (IDD) program. IDD has attractive advantages, including automatic currency conversion for the country of residence at no cost to you. IDD also avoids international transfer fees and typically deposits within one to two business days.

Banks throughout Europe, Asia, South America and South Africa participate in the IDD program but confirm with SSA before enrolling.

Follow these steps to have your Social Security payments sent through the IDD program:

1. Fill out the Social Security form SSA-1199 (the IDD deposit form). You will need your name and Social Security number, bank's name, address, account number, routing code and other information.
2. Mail or hand carry the completed form to a designated person at the SSA or Federal Benefits Unit of a U.S. Embassy.
3. Wait for notification from the SSA.
4. If necessary, contact the Federal Benefits Unit of a U.S. Embassy or Consulate for help.

No Foreign Bank Account?

If you live overseas, it makes sense, in most cases, to have an account where you reside. But, if you do not have a foreign bank account, a multi-currency tool can be a robust method for international payments and transfers. It could also save money and process time.

Non-bank, multi-currency platforms include online fintech companies like Wise and Revolut or digital foreign exchange payment services like Currency Direct. Numerous companies provide international money transfer services, each with its own set of incentives and drawbacks. Selecting the one for you depends upon how you want to use it and the features you need. Not all offer a debit card, so be sure to choose a service that includes one.

Neither a U.S. Bank nor a Foreign Bank Relationship?

Whether you reside in the U.S. or another country, you could opt to participate in the Social Security Direct Express debit card program that does not involve a bank institution. Funds on the global debit card are accessible in the U.S. or abroad. As with any debit card, watch out for foreign transaction fees, currency exchange rates and other fees or charges. The Direct Express debit card program works through the Master Card network and maintains plenty of foreign ATMs that can be easily located.

Finally, once you choose how to manage your Social Security benefits while living abroad, remember the role taxes play. Not every country has a tax treaty with the U.S., so consider working with a tax specialist who knows both U.S. and local laws to help you effectively manage your Social Security payments.

About the author: Stewart Koesten, MSFS, CFP, CIMA, CERT(IM), GFP (USA)

[Stewart Koesten, MSFS, CFP®, CIMA®, CERT\(IM\), GFP \(USA\)](#), is the chairman and senior wealth adviser of [Aspyre Wealth Partners](#), a fee-only firm specializing in financial planning. With five decades of wealth management experience, Koesten serves American citizens who are planning to retire or work abroad, and American expats planning to return to the U.S. He has extensive knowledge about citizenship and residence-for-investment programs and leverages a vast network of international professionals to deliver comprehensive global financial planning needs.
