

CAR INSURANCE

Eight Ways Seniors Can Save on Car Insurance in 2025

Here's how to save on car insurance once you reach 75 and rates start to rise, including companies that offer special discounts.



Finding ways to save on car insurance can be crucial, considering how high insurance rates have gotten in many states. Auto insurance rates were 26% more expensive in 2024 than in 2023, and they're expected to rise another 7% this year. These high rates, which are leading many to switch car insurance providers, are caused by several factors, including increased repair costs (up 6.7% for the year, according to CPI data) and an increase in traffic accidents.

When drivers turn 75, auto insurance begins to cost even more, which is why many car insurance companies offer a variety of discounts for seniors. There are several reasons car

insurance gets more expensive for older individuals — even those with a stellar driving record. According to Progressive, older drivers are more likely to be involved in accidents and more likely to sustain serious injuries as a result. Even if you've never been in so much as a fender bender yourself, you'll probably still see your premium creep upward, simply because insurers see your age as a risk factor.

Here's what you need to know about car insurance as you get older.

How car insurance changes with age

Age 25: Typically car insurance for teenagers is expensive, given that they don't have much driving experience and are therefore more likely to get into a car accident. When drivers turn 25, their rates drop by 9% on average, according to Progressive.

Ages 30 to 40: Car insurance rates typically remain lower throughout the 30s and 40s, as this age range is generally perceived as being responsible and experienced, and therefore less likely to have accidents.

Ages 50 to 60: This age range is most likely to experience lower rates than other age brackets, as middle-aged drivers have extensive driving experience and aren't as likely to be hearing or vision-impaired.

Ages 70 to 80: Once drivers hit their mid-70s, car insurance rates typically go up, as this age bracket has an increased risk of being in an accident. Older individuals are also more prone to injuries if a car accident does occur, which can lead to costly medical expenses and other bills.

80s: Despite having the most driving experience, drivers in this age range are the most likely to have decreased reflexes and reaction times, which drives up their car insurance rates.

The following chart, per CarInsurance.com, shows annual average full coverage car insurance rates by age, illustrating just how much your rate can fluctuate depending on how old you are.

Age	Rate
18	\$5,249
25	\$2,259
35	\$1,947
45	\$1,869
55	\$1,737
65	\$1,742
75	\$2,010

8 ways seniors can save on car insurance

If you're struggling with the increasing cost of car insurance, the following tips can help you lower your premium.

1. Take a driving course: Many states have mandated mature driver discounts for seniors if they complete state-approved driving courses. Organizations such as AARP, AAA and The National Safety Council (NSC) provide these classes. Taking the AARP Smart Driver online course could qualify you for a multi-year discount on your car insurance policy, and successful completion of the AAA Driver Improvement Program, designed to reduce the risk of seniors behind the wheel, can also result in lower insurance premiums.

2. Keep a safe driving history: Many insurance companies reward drivers for having an accident-free driving history. Geico, for example, offers up to a 22% discount on most coverages if you've been accident-free for five years. Keeping your driving record free of crashes, tickets, or any violations will help you qualify for lower rates.

3. Maintain vehicle safety: You could qualify for further savings if your vehicle is up to par with safety equipment. This can include airbags, anti-lock brakes, anti-theft systems, and anti-collision technology. State Farm offers auto insurance discounts on 1994 and newer-model-year private-passenger vehicles based on the loss experience of the make and model of the insured vehicle.

Here's how much certain safety features could save you with Geico, depending on your vehicle's equipment.

Air Bag: 23%

Anti-Lock Brakes: 5%

Anti-Theft System: 23%

Daytime Running Lights: 3%

New Vehicle Discount: 15%

4. Try a multi-policy discount: If you open two policies with the same insurance provider, you'll be able to save thanks to a multi-policy discount, which is offered by most insurance providers. For example, if you bundle your auto and home insurance through Progressive, you'll earn discounts on both policies, with an average savings of 7% on your auto policy.

5. Pay your policy in full: Sometimes, insurers will offer a discount to drivers who opt to pay their policy in full upfront, rather than making monthly payments.

6. Check your location: Planning to move in retirement? Keep in mind that car insurance rates vary widely from state to state, so check to see if you can afford rates for where you're moving.

7. Shop around before renewing: Before accepting the renewal quote from your current insurer, shop around to get at least three quotes from other insurers. Rates can vary widely between insurance companies. In 2024, drivers who switched insurance companies enjoyed median savings of \$461 for the year.

8. Increase your deductible: Increasing your deductible also helps reduce how much you pay for insurance. If you're willing to risk paying more out-of-pocket in an accident, your premium will be lower. Just be sure you can reasonably cover the deductible if an accident does occur.

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Erin pairs personal experience with research and is passionate about sharing personal finance advice with others. Previously, she was a freelancer focusing on the credit card side of finance, but has branched out since then to cover other aspects of personal finance. Erin is well-versed in traditional media with reporting, interviewing and research, as well as using graphic design and video and audio storytelling to share with her readers.

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