Retirement Income Milestones and Key Birthdays

Pencil in these important ages and dates!

Whether you are planning to retire or not, there are many important dates you need to know about and deadlines to pencil in. You won't want to be the one who misses key dates and then is frustrated at the consequences.

While these dates and deadlines apply to all of us, women often schedule the family's calendar. Just like planning for anniversaries, family reunions or milestone birthdays, it's a good idea to mark these dates on your behalf and for your spouse or partner.

50

Build your initial Retirement Income Plan: It's critical to a formalize a written plan for how you will create your "paycheck" in retirement.
Save more: Catch up contributions are now available in your employer plans and IRAs.

55

Revise your Retirement Income Plan: Review your plan and determine what changes should be applied to update it.
Deal with Debt: Set up a plan for paying down as much debt as possible before you retire.

59 ½

Penalty free distributions: IRAs can now be tapped without a 10% early withdrawal penalty.
CAUTION! Remember that IRAs are intended for your retirement – do you really need to dip into this important asset at this time?

60

Update your Retirement Income Plan: It's time to fine tune your plan with specific, detailed numbers.
Look ahead: When might you realistically retire? What will you do with your time? What are your plans for Social Security? How will you pay for health care in retirement?

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Early Access to Social Security: This is the earliest age to claim your Social Security retirement benefits.
CAUTION! You'll lock in a permanent reduction of up to 30% of your monthly income. That's a lot of cash out of your "paycheck" in your 80s and 90s.

65

Access to Medicare: This universal health insurance program becomes available the month you reach age 65. When your coverage starts depends when you enroll.
CAUTION! If you have a younger spouse, there may be a coverage gap. If you are enrolling in Medicare, what will your spouse have for coverage?

66 - 67

Full Retirement Age (FRA): If your birthday is in 1946 through 1959 FRA is 66, or 66 and some number of months. If you were born in 1960 or later, your FRA is 67. This is when your full, unreduced Social Security retirement benefit is available to you.
CAUTION! Your FRA is an exact month and year. Know the exact date when your full benefit becomes available before filing your claim.

69

Last Chance: Convert tax-deferred retirement assets to a Roth IRA before taking Required Minimum Distributions, if that is part of your plan.
Good Idea: Required Minimum Distributions are easier to manage if your accounts are consolidated and well-organized. Take the time now to get organized and update beneficiary designations.

70

Last Date: This is the oldest age to earn Social Security "delayed retirement credits" – an 8% per year bonus for waiting to claim. After age 70, there is no reason to delay claiming.

70 ½

Required Minimum Distributions Begin: The IRS requires you to begin taking a portion of your retirement savings as taxable income. You must take money from all Traditional IRAs, 401(k)s, 403(b)s, and other tax-favored retirement accounts.
CAUTION! Failure to take a RMD results in a 50% penalty payable to Uncle Sam!

Take Action Today!

Make the financial side of your retirement easier to manage. Know when you reach these milestone ages and mark your calendar. Take time to learn about key retirement programs. Attend information sessions at your place of employment.

Simply said, it's time to plan ahead.