Retirement Planning
The 50s Checklist

Retirement is a journey not a destination. How you live today and the decisions you make every day throughout your life will impact your ability to enjoy the retirement you envision. The important challenge, of course, is to balance enjoying your life today while simultaneously preparing for your future. One of the best ways to accomplish this is to create and follow a financial plan targeting the retirement you want to live. Financial advisors are skilled in helping you to create and manage a plan tailored to your unique goals and finances.

DEVELOPING YOUR RETIREMENT PLAN

The retirement planning process generally begins with a discussion with your advisor of how you envision your retirement. That vision will have financial requirements which become the target you and your advisor will work toward achieving. Your advisor will help you develop a holistic plan that addresses and balances the four interconnected financial behaviors of Earning, Spending, Investing and Insuring. Your advisor can help you put a custom plan into action and help you manage the plan as your life events and life goals evolve over time.

WHEN TO START

Today! It is never too soon and it is never too late.

TAKE ACTION!

Use the following Checklist to help identify important considerations when developing your retirement income plan and revising your plan through the years.

BNY MELLON
INVESTMENT MANAGEMENT

The 50s

EARNING

- ❑ The 50s, particularly from the mid-50s onward, is a transitional period from a retirement perspective. It's a time to conduct one last assessment and recalibration of the retirement outcome being targeted.
- ❑ These are peak earning years for many. Maintain savings and investing discipline, and manage bonuses and stock options with an eye toward the retirement target.
- ❑ The chance of experiencing a disability increases with age. Consider long-term disability insurance to protect your earnings if not already enrolled.
- ❑ Take advantage of retirement plans' catch-up provisions. Individuals age 50 and older can contribute an additional $1,000 to Traditional and Roth IRAs, $3,000 to SIMPLE IRAs, $6,000 to 401(k)/Profit Sharing/403(b) plans.

SPENDING

- ❑ For some, the expense of college education may be behind you.
- ❑ Individuals may be tempted to spend on themselves. Rewards are necessary in the budgeting process, but too many of them can deplete savings and derail desired retirement outcomes.
- ❑ When possible, former tuition payments and other additional funds should be redirected to retirement investments.

INVESTING

- ❑ These are typically prime earning years, which means now is the time for an investing sprint. Maximize contributions to various investment vehicles.
- ❑ When beginning the transition period to retirement, reassess investment risk tolerance and portfolio positioning and begin a steady de-risking of the portfolio.
- ❑ Consider consolidating various retirement and brokerage accounts if appropriate.
- ❑ If retiring from a company at age 55 or older, penalty-free distributions from that company's defined contribution plan may begin.
- ❑ Penalty-free distributions from IRAs and other retirement plans may begin at age 59½.
- ❑ At age 50, you can begin to contribute an additional $6,000 per year to many employer retirement plans and an additional $1,000 to IRAs.

INSURING

- ❑ If you have not yet purchased a Long Term Care policy, reconsider. The longer you wait the more expensive it becomes.
- ❑ Empty-nesters with kids out of college should have more disposable income at this point and may consider purchasing a permanent life (whole or universal) policy as a way to accumulate tax-favored cash value in addition to the death benefit.
- ❑ Complete your Beneficiary Designation forms for all retirement, health savings, and education accounts to ensure the assets are transferred to whom you intend.
- ❑ A Will efficiently directs the disposition of your other assets and reduces the burden on your surviving family.
- ❑ Health Care- and Financial- Powers of Attorney, allow you to specify who you would like to make decisions on your behalf should you become incapacitated and unable to make them on your own.
- ❑ Trusts enable privacy, can precisely allocate your legacy, and help manage the tax liabilities of your estate.

This information is general in nature and is not intended to constitute tax advice. Please consult your own legal or tax advisor for more detailed information on tax issues and advice as they relate to your specific situation. There are fees, expenses, taxes and penalties associated with IRAs.

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