VOYAGE FINANCIAL GROUP

Financial Milestones

Retirement planning **is a process that continues throughout life, as certain key decisions and actions need to be taken to maximize benefits and avoid penalties. We've summarized some of these important occasions for you to consider and perhaps even mark on your calendar. In addition, and rest assured, your Voyage Financial Advisor is here to help you make the best informed decisions each and every step of the way.**

Age 50

You can make catch-up contributions to your qualified retirement accounts – Individual Retirement Account (IRA), Roth IRA, 401(k). In 2015, the catch-up contribution limits are:

	Catch-Up Contribution	*Total Limit*
401(k)	$6,000	$24,000
IRAs	$1,000	$ 6,500

Age 55

You can begin making penalty-free withdrawals from your 401(k) plan if you retire in the year you turn age 55. There are strict rules to do this however:

- It only applies to ERISA-qualified, employer-established, defined contribution plans.
- It does not apply to IRAs.
- You must have worked for your employer until the year you reached 55 years of age. This exception will not apply if you retire at age 53, for example, and want to begin withdrawing funds penalty-free at age 55. In this case, you must wait until 59-1/2 years of age to avoid a 10% penalty.

If you qualify for a Health Savings Account (HSA), you can begin to make catch-up contributions. In 2015, the catch-up contribution limits are:

Catch-Up Contribution	*Total Limit*
$1,000*	$3,300 Individual Coverage
	$6,650 Family Coverage

* A spouse can make an additional $1,000 catch-up contribution into a separate HSA.

Age 59-1/2

You can make withdrawals from your qualified retirement accounts – such as 401(k)s and IRAs – and annuities without a 10% penalty.

If you are working and have a 401(k), however, you should check with your plan administrator to see about an "in-service" withdrawal.

Refer to IRS Publication 590 for exceptions to the 10% penalty before age 59-1/2 (or you can go online to www.irs.gov/pub/irs-pdf/p590.pdf).

You can withdraw your contributions to a Roth IRA at any time without tax or penalty, but not the earnings or interest you have earned on your contributions. To do that, you must be 59-1/2 or older and your initial contributions must have been made to your Roth IRA five years before the date when you start withdrawing funds.

For additional information on Roth IRAs, you can go online to irs.gov/Retirement-Plans/Roth-IRAs

(over)

Voyage Financial Group
1011 Warrenville Road, Suite 225
Lisle, IL 60532
877-353-8999 (toll-free)
www.voyagefg.com

Age 60

If you served at least 20 years in the military reserves, you can begin to take retirement benefits.

Age 62

If you or your spouse contributed to Social Security, you can begin receiving benefits, albeit at a reduced level until your full retirement age.

> To calculate your full retirement age for Social Security, you can go online to www.ssa.gov/retirement/ageincrease.htm

Age 65

You are eligible for Medicare. This is not automatic. You must register with Social Security during a seven-month window – including three months before your birthday, your birth month, and three months after. Otherwise, you can be subject to paying higher premiums for coverage.

It's time to consider a Medicare supplement plan to help pay for some or all of your medical expenses not paid by Medicare Parts A and B.

Funds from your Health Savings Account can be withdrawn at any time and are only subject to ordinary income tax. However, you may avoid any tax by continuing to use the funds for qualified medical expenses. For those over age 65, an HSA can pay the premiums for Medicare Part A and B, supplemental Medicare plans, and employee premiums for employer sponsored health insurance.

Age 70

If you elected not to begin receiving your Social Security monthly benefit yet, your benefit continued to increase until age 70. There are no increases after age 70, however, even if you continue to delay receiving the benefit.

Age 70-1/2

You must begin to take (and pay taxes on) minimum distributions for your qualified retirement plans – including traditional IRAs and 401(k)s. This does not apply to Roth retirement accounts.

> If you are still employed by the company that sponsors your 401(k), and do not wish to take a distribution, your plan may offer an exception to mandatory distributions. Check with your plan administrator.
>
> To calculate your minimum distribution for your qualified retirement plans, you can go online to apps.finra.org/Calcs/1/RMD

At Any Age

Your Voyage Financial Advisor is always available for feedback and guidance.