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# WAYS FOR BUSINESS OWNERS TO Take Charge of Retirement

Consider these seven ways to ensure your retirement is as successful as your business.

## 1 Create a succession plan.

A realistic succession plan with a solid exit strategy is essential, especially if you're counting on income from the business after you retire.



ONLY **25%** of business owners have a formal succession plan.

Source: LIMRA, Small Business Report, 2009

## 3 Start saving.

If you don't have retirement savings outside of your business you can't rely on your business as a retirement plan since you don't know what the future holds.



ONLY **3%** of entrepreneurs buy an existing business.

Source: "Business Creation in the US," Small Business Administration, Office of Advocacy Report, July 2010

## 5 Consider a company retirement plan.

If you're a sole proprietor, the tax savings from a company-sponsored plan could fund your contributions. Have employees? A plan can help you recruit and reward them while building loyalty.



Up to **100%** of employer contributions to a company-sponsored retirement plan may be tax-deductible to the business.

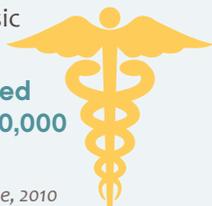
Source: Internal Revenue Service

## 7 Plan for medical expenses.

Medicare only covers about 62% of basic healthcare expenses.

A healthy 65-year-old retired couple will spend about **\$260,000** on healthcare.

Source: Employee Benefit Research Institute, 2010



## 2 Calculate how much income you'll need in retirement.

Having the retirement you envision requires knowing how much you need to save.

ONLY **44%** of people have calculated how much money they will need in retirement.



Source: Retirement Confidence Survey conducted by the Employee Benefit Research Institute (EBRI), 2012

## 4 Keep contributing to your retirement.

Although it's tempting to take a break from saving, that rarely works—instead, make small, consistent contributions over time, and you'll save more than if you made larger contributions later.

ONLY **47%** of business owners have a retirement savings plan through their business.



Source: LIMRA, Small Business Owners Report, 2009

## 6 Supplement your Social Security income.

Social Security will only cover about 36% of the average retiree's expenses. The other 64% of retirement income needs to come from other sources.



ONLY **36%** of the average U.S. retiree's total retirement income comes from Social Security.

Source: Social Security Administration, Fast Facts and Figures about Social Security, 2013



As you plan for the future of your business, take the time to plan for your own future. Talk to your financial professional today.

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