RETIREMENT ROADMAP





FOOTHILLS RETIREMENT SOLUTIONS

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Use this retirement timeline to help determine the ages you should pay special attention to. It's a helpful tool to use as you develop a retirement income strategy with an insurance professional.



AGE 50: Catch-Up Contributions to Retirement Accounts

Those that are 50+ years old and still actively working are able to make additional 'Catch-Up' contributions to their retirement accounts. You will be able to contribute an additional \$1,000 towards your IRA or Roth IRA, \$7,500 towards your 401K, 403B, & 457 Plan, and lastly another \$3,500 towards your SIMPLE IRA.

AGE 55: Penalty-Free 401(K) Zone

No federal tax penalty on withdrawals

If you retire at age 55 or older, you can potentially take distributions from your 401(k) or other employer-sponsored retirement plans without incurring penalties. You can avoid the usual 10% federal tax penalty on early withdrawals, but note that you'll still owe income taxes on these distributions.

AGE 59 1/2: Penalty-Free IRA Zone

No penalty on IRA withdrawals

Once you hit this half birthday, you may take IRA withdrawals without getting penalized. Traditional IRA withdrawals are taxed as income. Roth IRA distributions are tax-free and penalty-free if the Roth IRA has been held for at least five years.

AGE 62: Social Security Eligibility

Eligible to start receiving social security benefits At age 62, you may be eligible to receive Social Security benefits. Keep in mind that if you start taking benefits at this age, your benefits will be reduced by a fraction of a percent for each month before your full retirement age (which

AGE 65: Medicare Eligibility

Eligible to sign up for Medicare benefits

Medicare is federal health insurance for people 65 or older and those under 65 with certain disabilities. Your initial enrollment period includes the month of your 65th birthday and the three months before and after. If you are already receiving Social Security benefits you will automatically be enrolled in Medicare, in most cases. You can learn more by visiting: medicare.gov

AGE 70: Maximum Social Security Benefits

Eligible for increased payments after delaying benefits If you delay claiming social security benefits, you may be eligible for increased payments. But after age 70 there is no additional incentive for delaying benefits.

AGE 73: Requirement Minimum Distributions (RMDS)

If you are retired, you must start taking Required Minimum Distributions from your Non-Roth Retirement Accounts such as IRA, 401K, 403B, etc. Distributions are subject to ordinary income rates for tax purposes. The RMD Age was updated in 2023 to Age 73 from Age 72, and in 2033 the RMD age will be pushed back to 75.

READY FOR RETIREMENT?

Retirement—it's what you work your whole life for. While everyone will have their unique ideas for retirement (travel, spend time with family, a second career), there are some common challenges the next generation of retirees face.

These include longer life expectancies, inflation, market volatility, and taxes, all of which can make the prospect of a sustainable retirement difficult. And what if you have other goals, such as passing on a legacy to the next generation?

Our biggest goal is to help position our clients toward their ideal retirement and address the challenges they may face. We do this by building plans that address their specific needs and unique objectives.

We recognize how important retirement is for you. Whether you are just now saving, about to retire, or already in retirement, we have the solutions and experience to help you.

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Our Keep-It-Simple Approach

Arrange your assets to last longer than you



Position retirement resources for an efficient tax treatment Identify efficient wealth transfer strategies

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RETIREMENT



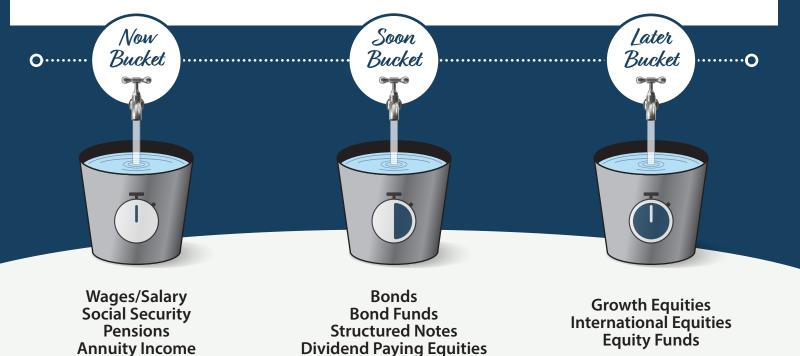
Cash & Cash Alternatives

Questions we can help answer:

How much do I need for retirement? When can I retire? What financial products or solutions should I explore? How long do I need retirement income? How can I efficiently transfer a legacy to the next generation? Are beneficiaries listed correctly? How to invest nearing or during retirement? How does my 401(k)/IRA factor into my retirement plan?

While investing can be scary, risky, and emotional. It doesn't have to be and we don't think that it should be, if it is done right. At IAMS Wealth, we aim to streamline your retirement plan to provide income throughout the various phases of your retirement years. Without a plan, it can prove challenging to navigate the tough times which many individuals have experienced the last several years.

We believe that each aspect of your portfolio, but especially your net worth, serves as a valuable puzzle piece to the big picture that we call personal finance. In an effort to keep it simple but yet effective, we like to break down your assets and investments into Three (3) Buckets: Now, Soon, & Later. These buckets are associated with various timeframes and goals, all of which are unique to you and your situation. The main goal of this thought process is to create a solution to take care of today without neglecting needs that are to come in the future.



Alternatives

ESTATE PLANNING

Documents-& items to review:

- Beneficiaries on accounts
- Will
- Durable Power of Attorney
- Healthcare Power of Attorney
- Medical Directive
- Trust Agreements
- Funeral & Burial Wishes

This is probably the most avoided topic by individuals when it comes to retirement planning. Why? Because nobody likes to talk about that "What-If?" situation such as becoming incapacitated, losing a loved one, or a pre-mature death of their own. But that is exactly why it is so important!

- Ensure your loved ones are properly taken care of in your absence
- Ensure your assets are distributed the way you want to
- Avoid probate court and the costs (\$\$\$) of going to court
- Ensure your wishes are honored when you are not able to make decisions
- Potential tax reduction for your beneficiaries

SOCIAL SECURITY

Questions-we can help-answer: How is my benefit determined and what age should I claim benefits?

How can I maximize my benefits and make them meaningful according to my objectives?

What about COLA's, divorced spouse benefits, and survivor benefits?

How will my benefits be affected if I continue to work and how will benefits affect income taxes?

How can I best coordinate social security with other retirement income sources?

When does it make sense to delay taking benefits?

Social Security planning is an incredibly important aspect of your overall retirement planning process. Many people aren't aware of Social Security issues or considerations that potentially impact their retirement outcomes. As with many other parts of the retirement process, failing to understand your Social Security options can cause you to lose out on money, and once you make your choice it often cannot be undone.

Social Security is a valuable asset and should be managed as such. For some people, this will mean using any number of Social Security maximization strategies. Although every individual will present a unique set of goals and financial constraints, in many cases it will pay off to delay taking Social Security benefits if possible. Because what will work best for you will ultimately depend on your specific financial situation, it is best to work with a financial advisor that has knowledge and expertise in this area of retirement planning.

We can help you understand your Social Security benefits, work through maximization strategies, and tie everything to your overall retirement goals.



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