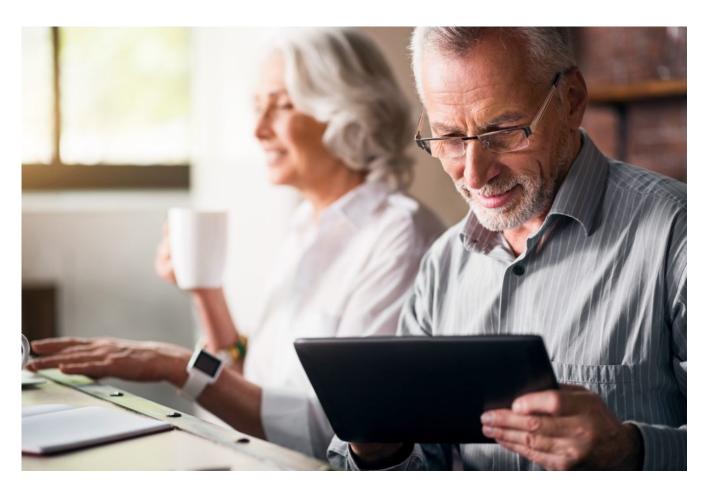
PLANNING FOR RETIREMENT BEYOND THE 401K



3 Important Retirement Strategies Beyond Your 401k

Sometimes, the most important things in our lives are the things that slip our minds. One day, you're walking around your office, taking a break. Your mind reflects on the route that's led you to where you are today, not finding that one elusive thing, but instead finding a grateful smile at your success.

The next day, you realize that one thing that eluded your mind was how much more time you spent planning vacation than planning your retirement.

Retirement was once completely covered by your employer through pensions, supplemented by social security, allowing you to enjoy life beyond the workplace.

Today, retirement has completely changed and is almost entirely your responsibility. The pension has been replaced by your company's 401(k) which, depending on how your company matches your contributions, could work well or not for retirement.

What if it doesn't? What if your company doesn't offer 401(k)? As you move closer to retirement age, how will you address income, health care, insurance, housing, and emergencies once you leave the workforce?

Here's what you can do NOW to plan a happy retirement:

1. Finding Flexibility with Your Taxes

If your company offers a 401(k), it may seem like your go-to for retirement planning. But most have limited flexibility, heavy investment restrictions and penalties for withdrawing early. Also, your contributions are pre tax, meaning you'll pay income taxes at a likely higher rate when you begin to withdraw.

Consider an IRA account instead. It's similar to a 401(k), except you can withdraw funds at any point for out-of-pocket expenses without penalty. You can also invest almost any fund or asset whose value can be measured precisely and daily. A Roth IRA allows you to set aside post-taxed income up to a certain amount each year, making earnings and withdrawals on the account tax-free after age 59½.



2. Your Social Security Start Date

Deciding when to start collecting Social Security is very important, as the timing affects the amount you'll receive. Each year after your full retirement age that you delay, your benefits will grow by about 8%.

With Social Security, time is literally money.

3. Plan For the Unexpected

Always think long term. As is the case when planning for anything else, issues will come when planning retirement. Family emergencies, long-term care, accidents. These can seriously deplete your savings. Stay healthy, make smart personal and financial choices, and plan to save way more than you think you will need.

As older Americans move into retirement today, they are forced to make tough decisions and face great challenges. Taking the time to make goal-based decisions, be cost-conscious and disciplined is an absolute must to enjoy it.

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