

# WHAT TO CONSIDER BEFORE RETIREMENT



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## CASH FLOW

### Will your cash flow needs change?

If so, consider developing a new income and expense plan.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Will you receive a pension?

If so, consider the following:

- There may be multiple payout options (single, joint).
- Coordination strategies may exist between pension, social security, or life insurance.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Could there be pensions and/or retirement benefits from a previous employer that you may be forgetting?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Are you retiring early?

If so, consider the following:

- Social Security benefits may be reduced if you earn more than \$18,240 and are collecting benefits prior to your full retirement age (FRA) or earning more than \$48,600 in the year you reach FRA.
- Social Security benefits will be reduced if you collect prior to your FRA.
- You can access your 401(k) penalty free if you leave your employer in the year you turn 55 or later.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Will you or your spouse receive a government pension for which you did not pay FICA taxes?

If so, consider the impact of the Social Security Windfall Elimination Provision or the Government Pension Offset.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Are you currently married?

If so, consider additional Social Security claiming strategies

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Were you married previously and currently unmarried?

If so, consider the following:

- If the marriage lasted 10 years and ended in divorce, you may be eligible for benefits under your ex-spouse's record.
- If the marriage lasted more than 9 months and ended due to your spouse passing away, you may be eligible for benefits under your deceased spouse's record.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

## HEALTH INSURANCE

### Will you be retiring before age 65 and need health insurance?

If so, consider the following:

- You are not eligible for Medicare until age 65.
- If household income is between \$12,490 and \$49,960 for one person in the household (\$16,910 to \$67,640 for two people in the household), you may be eligible for the Premium Assistance Tax Credit.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Will you have to change your employer sponsored health insurance upon turning 65 or upon retiring from your employer?

If so and you are under age of 65, you may need to look to COBRA or the Health Insurance Marketplace. If over age 65, you may need to sign up for Medicare.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Will you need additional insurance such as vision or dental coverage?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Are you contributing to an HSA?

If so, consider HSA and Medicare coordination issues.

- Will your MAGI exceed \$87k (Single) or \$174k (MFJ)?
- If so, you may be subject to Medicare IRMAA Surcharges.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Are you disabled?

If so, you may be eligible for certain benefits or have the ability to access benefits early.

### Have your needs for life insurance changed?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### Are you concerned about funding long term care?

If so, consider LTC insurance, self-insurance strategies, and assisted living communities.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

### If you have LTC insurance, does it need to be reviewed to ensure that it meets your needs?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

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## ASSET & DEBT

**Do you have stock options, grants, or restricted stock units (RSUs)?**

If so, consider how it will impact your tax liability and your cash flow planning.

**Will your investment objectives or risk tolerance change?**

**If you are a business owner, do you need an exit strategy or a succession plan?**

**If you have annuities or illiquid assets, do they need to be reviewed to understand options?**

**Do you have any loans on any employer retirement plans?**

If so, you may need to plan for how to pay it back and be mindful before rolling the balance to another plan.

**Do you have a deferred compensation plan?**

If so, coordination strategies may exist between pension, social security, or life insurance.

**Do you have multiple accounts with similar tax treatment (multiple 401(k)s or IRAs)?**

If so, consider consolidating accounts to reduce complications.

**Will you change your residence?**

If so, this may impact tax liability, cash flow planning, and your Medicare Advantage Plan if you move out of the network.

Yes No

## TAX PLANNING

**Do you expect to have large Required Minimum Distributions?**

If so, consider strategies to reduce the RMD such as Roth conversions.

**Upon retirement, do you expect your income to be lower?**

If so, consider Roth IRA conversions in low income tax years.

Yes No

## LONG-TERM PLANNING

**Do you expect your estate will exceed \$11,580,000 or will your combined estate (if you are married) exceed \$23,160,000?**

If so, consider strategies to plan for a possible federal estate tax liability.

**Are you charitably inclined?**

If so, consider charitable giving strategies to reduce your tax burden.

**Is the estate plan old or possibly outdated?**

**Do the account beneficiaries need to be reviewed and possibly updated?**

This includes retirement plans, life insurance, and TOD accounts.

Yes No

## OTHER

**Do you have any unused vacation days?**

If so, you may be eligible to use them prior to retiring or you may receive compensation.

**Are there any state specific issues that should be considered (such as state estate tax liability or unique taxation rules)?**

Yes No