

Missing Some Clues for Retirement Planning?



So you would like to start saving for retirement, but think it's too late to save enough to make a difference?

When it comes to saving for retirement, the equation can always be adjusted. The answers will be different, but doing something about saving for retirement is much preferred over not saving anything at all.

Saving for retirement is made easier when you use your 401(k) plan. Why?

Automatic deduction from your paycheck. It is really paying yourself first. You are saving for your future before you pay the mortgage, utilities, and credit cards. All you need do is enroll in the plan and make your investment decisions and the rest is automatic.

Rethink your planned retirement date. Working a few extra years will give you more money in your 401(k) plan as well as more years in Social Security. Retiring later means that you will be dependent upon your retirement savings for fewer years since you worked longer. By delaying Social Security, you will also create a larger benefit for an eligible spouse.

Don't worry about what you didn't do in the past. Regard the next years as a time to put into place a plan to catch up with your retirement. And remember to use the "catch up" provision if you are over age 50. This allows you to contribute even more into your 401(k) plan - up to \$5,000 more.