RPA
RETIREMENT PLAN ADVISORS

Birthday Milestones Key to Your Retirement

Congratulations on another trip around the sun!

Whether you're preparing for retirement or already enjoying it, there are several key birthdays that can meaningfully impact your financial future.

Your RPA Financial Advisor is available year after year to help you navigate these milestones. We provide your household with a personalized plan for retirement, tailored to your financial situation and goals.

50 years old. Beginning when you turn 50, certain retirement accounts permit catch-up contributions, allowing you to save more money than in years prior. For example, in 2024, the IRS' 457(b) plan annual contribution limit is $23,000; the age 50+ catch-up contribution allows you to save an additional $7,500 per year, for $30,500 in total.

55 years old. If you retire the year you turn 55 or later, you can withdraw funds from certain qualified group plans (not Individual Retirement Accounts [IRAs]) without incurring an early withdrawal penalty tax. Additionally, if you have a Health Savings Account (HSA), in the year you turn 55 your annual contribution limit increases by $1,000.

59½ years old. When you are 59½, most retirement accounts (including your IRA) can now be accessed for any reason without an early withdrawal penalty, though you will still pay income tax on the distributed amount. If you are still working, your plan may allow you to take in-service distributions, meaning you can transfer a portion of your qualified plan balance to an IRA without being taxed. If you have been making Roth contributions for five or more years, you are now eligible to access those funds tax free.

60 years old. If you have lost a spouse, 60 is the earliest age at which you can receive Survivors Benefits from Social Security. As with your own Social Security benefit, collecting now versus waiting until your Full Retirement Age (FRA) will result in reduced monthly payments. Your RPA Financial Advisor can help you determine the best Social Security timeline for your circumstances.

62 years old. The month following your 62nd birthday is the month you first become eligible to collect Social Security benefits. Collecting now versus waiting until your Full Retirement Age can reduce your monthly benefits by 30%, permanently. Your RPA Financial Advisor can help you determine the best Social Security timeline for your circumstances.

65 years old. The month you turn 65, you are eligible for Medicare. It is important to enroll in Medicare during the initial enrollment period, which begins three months before the month you turn 65 and ends three months after. Once this seven-month window has passed, you may have to wait to sign up and you will have to pay a monthly late-enrollment penalty.

66-67 years old. Your Full Retirement Age is the age at which you are entitled to 100% of your Social Security benefits, as determined by your birth year. If you were born between 1943 and 1954, your Full Retirement Age is 66. If you were born after 1960, your Full Retirement Age is 67. If you were born between 1955 and 1959, refer to the table below.

Year	1955	1956	1957	1958	1959
FRA	66 + 2 mo	66 + 4 mo	66 + 6 mo	66 + 8 mo	66 + 10 mo

The month after you reach Full Retirement Age, you can collect your full retirement benefit. You can increase your monthly Social Security benefit by delaying collection past your Full Retirement Age. Your RPA Financial Advisor can help you determine the best Social Security timeline for your circumstances.

70 years old. If you delay collecting Social Security past your Full Retirement Age, you will see monthly benefit increases. Once you reach 70 years old, these benefit increases stop. You don't have to begin collecting your benefit now, but it will not increase further. Your RPA Financial Advisor can help you determine the best Social Security timeline for your circumstances.

70½ years old. You are now eligible to make Qualified Charitable Distributions (QCDs), which allow you to donate up to $100,000 annually to one or more charities directly from your IRA account, tax free.

72-75 years old. Required Minimum Distributions (RMDs) are the minimum amount you must withdraw from your retirement savings annually. If you were born in or before 1950, you must begin your RMDs at age 72. If you were born between 1951 and 1959, you must begin RMDs at age 73. If you were born after 1960, your RMDs will begin at age 75. If you don't make your RMDs on schedule, you are subject to an excise tax of 25% of what you should have withdrawn. If corrected within a defined window of time, this penalty can be reduced to only 10%.

No matter what age greets you this year, RPA is with you every step of the way on your journey to and through retirement. Contact your RPA Financial Advisor to plan your catch-up contributions, estimate your distributions, talk Social Security, and calendar your RMDs. Let us help take the guesswork out of your retirement.

Remember, the future is better than you think!

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Sources

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Disclosures

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