

ADDIS HILL PRESENTS

Ten Mistakes to Avoid When Retiring

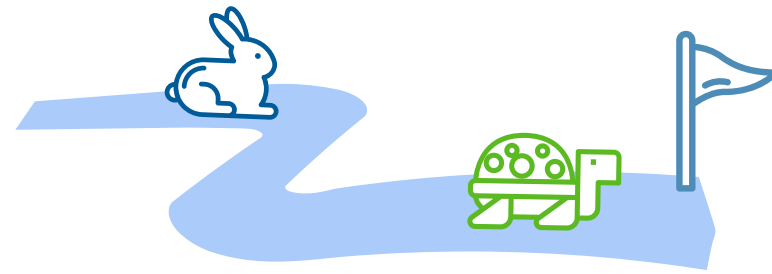
PART 2 OF 2

There are no “do-overs” when it comes to retirement planning, so we’d like to impart some wisdom we’ve gathered from over our 30 years of professional financial planning.



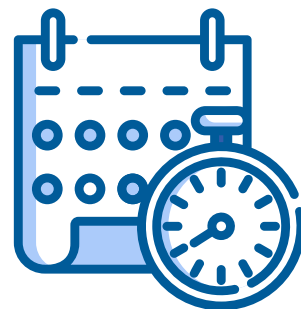
TRYING TO CHANGE WHO YOU ARE

You might want to travel the world, buy a sports car collection, or do things that you have never done because you didn’t have the time. But, it can be easy to get carried away. Human beings don’t generally change just because they are retired. I’m not saying don’t try to change, but, rather make decisions that reflect who you have always been.



JUMPING AT THE FIRST OPPORTUNITY TO STAY BUSY

Ease into your new life. Consider what kinds of activities really get you jazzed, not simply busy. If it’s spending time with your grandchildren, do it. But, if that’s just not you 100% of the time and starting a new business is what gets you excited, do it. Don’t do what other people think you should do. Do what you love. Take your time, and look for opportunities that give you the most satisfaction.



To avoid being penalized determine when your enrollment period is and create a plan for when you will enroll.

MISSING MEDICARE DEADLINES

Medicare penalties can be harsh and have a huge impact your finances in retirement. Bottom line, understand the enrollment deadlines and get professional help making all the decisions around Medicare if you need it!



Yearly RMD Deadline



First RMD Deadline

NEGLECTING THE REQUIRED MINIMUM DISTRIBUTION RULES

You are required to start taking distributions from your retirement accounts when you are 70 ½. Failure to do so results in a 50% penalty! There are lots of rules about how you must take these distributions that go well beyond this post. But, the key is to make sure you do it correctly. A good financial advisor can help you determine where the RMD should come from and how to best use the distribution.



RELOCATING AT THE WRONG TIME AND FOR THE WRONG REASONS

You want to make changes in your life and moving to a new area might be enticing. Many want to move where their children and grandchildren reside. But, maybe the family is so busy they can’t really spend as much time with you as you thought. Or, if your children are professionals, they might change jobs and move away. Moving can be wonderful, but give time so you can sort out the risks of such a move.

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