

SMART RETIREMENT MOVES TO MAKE – OR START – BY APRIL 17

February is still about two and a half months away from the tax deadline, but don't focus on the deadline so much as your overall retirement strategy. Here are some key moves to get your retirement in shape on a year-round basis.

Get some help. A financial planner might be a good first step in reviewing your retirement plan. Even if your retirement is lodged in various IRAs and a 401(k) plan, it makes sense to consult a planner in your area to get an overview of what you have and whether it's being invested consistent with your timeframe and retirement goals. To find a planner in your area, go to www.PlannerSearch.org.

Start saving. You have until April 17 to make your 2006 tax year contribution to your 401(k) Plan or IRA. If you were under the age of 50 during all of 2006, the contribution limit is \$15,000; if you turned 50 by Dec. 31, 2006 the amount is \$20,000. Also, income limits rose for making contributions to a Roth IRA. In 2007, singles can now deposit to a Roth IRA if their income is between \$99,000 and \$114,000 and for joint filers, now they can earn between \$156,000 and \$166,000.

Fund by the deadline. If you're under the age of 50 by yearend 2006, you can contribute up to \$4,000 to your individual retirement account by April 17. If you're over 50, you can add a \$1,000 to that amount. That deadline goes for traditional IRAs, SEP-IRAs, Keogh and Roth IRAs.

Be aware of new 401(k) transfer rules. Thanks to new pension legislation passed in 2006, a child or a non-spouse who inherits the money in a qualified disbursement can transfer it directly into an IRA and stretch out the distributions over a number of years at a considerably smaller tax bite.

Change your withholding if necessary. As you're doing your own taxes or relying on a professional, see if your withholding is correct. There's no reason to be paying more taxes than you need to or struggling to pay your tax bill in April of 2008. This is a good idea for both Federal and State withholding. And if you get a big tax refund this year, don't blow it. Sock it away. You can even authorize your tax refund to be deposited directly into an IRA account. Check with your tax or financial professional on the details.

Get your beneficiaries in order. Each year, it makes sense to determine whether the beneficiaries on your retirement accounts and insurance policies are correct. If you've lost a relative, gotten divorced or if any family circumstances have changed, you'll need to review whether your money is going to who you want it to after you die. This is also pertinent for any investments you hold jointly with anyone else – if there's a chance you want to change those relationships, make it a point to do so during the year.

Check your will and powers of attorney. Retirement and estate planning should go hand-in-hand. You need to make sure that any unspent assets in your retirement go to the right people after your death, and that may affect how you plan. Check to see that all the names in your will are correct and that your health and durable powers of attorney are up to date. If you've never had these documents drawn up, do so this year.

Talk to your kids. If you have adult children and you're approaching retirement, it makes sense to make this the year you talk to your kids about your retirement, estate and long-term care

plans. Don't have a plan for long-term care? You need one – talk to your adviser about allocating your assets toward that end or the purchase of long-term care insurance.

Get your health in order. It may seem unrelated to financial planning, but your health is going to become more critical to financial planning as years go by. Insurers have long viewed health records as a way to determine the price of policies, but depending on what happens in the future with records and privacy, health and age may become a critical factor in getting loans and other financial advantages. At the least, keep your health in good shape in case you want to buy long-term care insurance.

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