

What to Know at Every Retirement Age Milestone

How many retirement age milestones have you reached? How many more are on the horizon? While there are many pieces to the retirement-planning puzzle, these milestones could help you discover if you're on track to enter your golden years on your terms.

AT AGE
50



401(k)s & 403(b)s
Save up to \$26,000 — an additional \$6,500 over the regular \$19,500 limit
Defer taxes up to \$26,000



Traditional or Roth IRAs
Save up to \$7,000 — an additional \$1,000 over the regular \$6,000 limit

*Based on 2021 limits

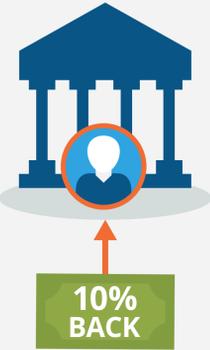
AT AGE
55



401(k)s & 403(b)s

Retired? Quit? Laid off? No 10 percent early withdrawal penalty for a withdrawal within the same calendar year

AT AGE
59 1/2



Retirement Accounts

No more 10 percent early withdrawal penalty on distributions from retirement accounts



Income Tax

Must pay income tax on withdrawals from qualified accounts

AT AGE
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Early Retirement

Earliest eligible age to start taking Social Security benefits
Potential reduction of benefits by up to 30 percent



Early Retirement Income

Annual earned income limit: \$18,960

*Based on 2021 limits

AT AGE
65



Medicare

Eligibility begins
Sign up as early as three months before reaching age 65



Medicare Parts B & D

Premiums can permanently increase, and you could be denied supplemental coverage if you do not sign up during the initial enrollment period



Health Savings Accounts

Withdraw from an HSA for non-medical expenses without penalty

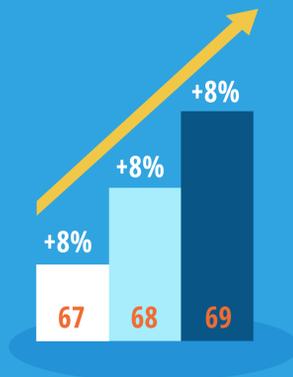
AT AGE
66



BETWEEN 1943 & 1954

Social Security

Born between 1943 and 1954: Eligible for full Social Security benefits



Delayed Retirement

Benefits will increase by 8 percent every year until age 70 if you delay collecting benefits after reaching your full retirement age

AT AGE
67



1960 OR LATER

Social Security

Born in 1960 or later: Eligible for full Social Security benefits

AT AGE
72



Traditional IRAs & 401(k)s

Account distributions are required after this age

Must pay income tax on each withdrawal



Traditional IRA & 401(k) Tax Penalty

If you fail to withdraw the correct amount, you will be taxed a penalty of 50% of the amount you should have withdrawn

Learn how you could prepare for retirement at any age with Western & Southern.
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Sources:
IRS (<https://www.irs.gov>)
Social Security Administration (<https://www.ssa.gov>)
Medicare (<https://www.irs.gov>)
AARP (https://www.aarp.org/health/medicare-insurance/info-03-2008/ask_ms_medicare.html)
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