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## **Taxes and Retirement: What to Know to Avoid a Heavy Hit**

Retirement is about more than just how much you save, it's about saving smart and saving in tax-friendly accounts.

Many savings methods that are tax-friendly now can cost you in the long run, when you access your money – like your 401k. In addition to these types of accounts that offer tax benefits now, you also need accounts that take tax money now, but save you later. A balance of both is usually best for most people.

The important thing to remember is that no matter how you save, the government is going to want its cut, either now or later. What you want to do is spread out your tax burden to alleviate the burden as much as possible. This way you pay some now, but you also pay some later.

Tax diversification is essential to a smart retirement savings plan. If you are like most people, you'll need some assistance with planning.

Want to know more! I can help!

## **Think Year-End Tax Planning is in the Future? Think Again!**

The best year-end tax planning begins long before the holiday season arrives. What are three things you can focus on right now to help you come the end of 2015?

**Tax Loss Harvesting:** This involves selling an investment for which you are currently taking a loss and buying something similar to replace it. It allows you to maintain the spirit of your portfolio while also enjoying the benefits of a tax loss.

**Make the Most of Your Retirement Plan Contributions:** Every dollar you contribute lowers your tax burden now, so if you can't increase your contribution for this year, get things set up for 2016.

In addition to your retirement, there might be other ways you can cut your tax burden. For instance, some college savings funds offer tax advantages.

You still have time to take advantage of the tax benefits available, but you need to act fast. Want to know more or speak to someone who can help you get your end-of-year plan in order? Give me a call!

## **What Will Your Income Be Once You Retire?**

It's one of the most common retirement preparation questions: "Will I have enough income once I retire?"

Most people focus on savings, but you also need to factor in income. This requires budgeting and planning the distribution of your retirement savings, and for some people, continuing to work in a different capacity.

Experts recommend to aim for 80% of your pre-retirement income, but this varies from situation to situation.

And where that money comes from is different too, for different people. Some have pensions, others 401k or Roth retirement savings. You also need to factor in Social Security, which varies depending on the amount you contributed over the years.

So how can you plan without knowing exactly where you stand and how it will all shake out in the end? The best way is to find a professional advisor who knows the tricks and understands the system.

Want to learn more? I'm happy to help!

## **Avoid Identity Theft with These Tips!**

Avoiding identity theft and all it can cost you is getting more and more difficult. Despite security improvements in technology, it seems as though there is a new data theft story on a weekly basis.

What can you do to protect your identity and everything that is at risk if it is stolen? These tips can help:

- Avoid public Wi-Fi use and make sure any sites you use that require privacy start with “https.”
- Don’t store your credit card information on a website. It seems convenient, but it can also lead to big trouble.
- Don’t ever email your credit card information to anyone. And if you must, send it in multiple emails.
- Choose a credit card payment over other options. In most cases, credit card companies offer greater protection.
- Monitor your credit report and consider a program that helps you do so. Many alert you the moment your social security and other personal information is used, so you know when there is a problem.

If you do not have a monitoring program, I have available the number one program called ID Shield. It includes a \$5,000,000 service guarantee for just \$10 per month. Call me for details.