

RETIREMENT STRATEGIES CHECKLIST

for Individuals

1. MAXIMIZE RETIREMENT CONTRIBUTIONS

- ☐ **401(k) and IRA Contributions:** Contribute the maximum allowable amount to your 401(k), IRA, and other retirement accounts. For 2025, the limits are \$23,500 for 401(k) and \$7,000 for IRA (including catch-up contributions if you are 50 or older).
- ☐ **Catch-Up Contributions:** If you are 50 or older, take advantage of catch-up contributions to boost your savings. For 2025, you can contribute an additional \$7,500 to your 401(k) and \$1,000 to your IRA.
- ☐ **Automization:** Automate contributions through payroll deductions or scheduled transfers to ensure consistency and avoid missed opportunities.

2. DIVERSIFY YOUR INVESTMENT PORTFOLIO

- ☐ **Asset Allocation:** Ensure your portfolio is diversified across various asset classes (stocks, bonds, real estate, etc.) to manage risk. Consider a mix of domestic and international investments.
- ☐ **Regular Rebalancing:** Review and rebalance your portfolio annually to maintain your desired risk level and align with your retirement goals. Rebalancing can help you mitigate overexposure to any single asset class.
- ☐ **Exposure mitigation:** Include inflation-protected securities (like TIPS) to safeguard purchasing power over time.

3. EXPLORE ADVANCED INVESTMENT STRATEGIES

- ☐ **Alternative Investments:** Consider alternative investments, such as real estate investment trusts. These types of investments can provide diversification and potentially higher yields.
- ☐ **Tax-Efficient Vehicles:** Utilize tax-efficient investment vehicles such as municipal bonds, tax-managed mutual funds, and ETFs. These can help mitigate your tax liability.
- ☐ **Loss Coverage:** Consider tax-loss harvesting during market downturns to offset gains and reduce taxable income.

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4. OPTIMIZE TAX EFFICIENCY

- ☐ **Tax-Deferred and Tax-Free Accounts:** Maximize contributions to tax-deferred (e.g., traditional 401(k), IRA) and tax-free (e.g., Roth IRA) accounts. Understand the tax implications of each and how they fit into your overall strategy.
- ☐ **Roth Conversions:** Evaluate the benefits of converting traditional IRA funds to a Roth IRA to reduce future tax burdens. Consider the timing and potential tax implications of conversions.
- ☐ **Tax Planning:** Consult with a tax advisor to develop a comprehensive tax strategy for retirement. This can include strategies like tax-loss harvesting, charitable giving, and strategic withdrawals from different account

5. EVALUATE ESTATE PLANNING NEEDS

- ☐ **Update Legal Documents:** Regularly update your will, trust, and power of attorney documents to reflect current laws and personal goals. Ensure they are in line with your estate planning objectives.
- ☐ **Trusts:** Consider setting up a revocable or irrevocable trust to manage and protect your assets. Trusts can help you avoid probate, minimize estate taxes, and ensure your assets are distributed according to your wishes.
- ☐ **Beneficiary Designations:** Ensure proper beneficiary designations on all retirement accounts and insurance policies to avoid probate and minimize estate taxes. Review these designations regularly, especially after major life events.

6. MANAGE HEALTHCARE COSTS

- ☐ **Long-Term Care Insurance:** Consider purchasing long-term care insurance to protect against potential healthcare expenses. Evaluate different policies and their coverage to find the best fit for your needs.
- ☐ **Health Savings Accounts (HSAs):** Contribute to an HSA if eligible, as it offers triple tax benefits (tax-deductible contributions, tax-free growth, and tax-free withdrawals for qualified medical expenses). HSAs can be a valuable tool for managing healthcare costs in retirement.
- ☐ **Retirement Ready:** Evaluate Medicare options and supplemental insurance well before retirement age to ensure comprehensive coverage and minimize out-of-pocket expenses.

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7. PLAN FOR MULTIPLE INCOME STREAMS

- ☐ **Annuities:** Consider purchasing annuities to provide a guaranteed income stream in retirement. Understand the different types of annuities (fixed, variable, indexed) and their benefits and drawbacks.
- ☐ **Municipal Income:** Incorporate municipal bond income as a tax-efficient source of cash flow to diversify retirement income streams.
- ☐ **Dividends and Interest:** Develop a strategy to generate income from dividends and interest from stocks and bonds. Focus on high-quality, dividend-paying stocks and bonds with a history of consistent returns.

8. REVIEW & ADJUST REGULARLY

- ☐ **Annual Reviews:** Conduct annual reviews of your retirement plan to ensure it aligns with your changing financial situation and goals. This includes reviewing your investment performance, tax strategy, and estate plan.
- ☐ **Adjustments:** Make necessary adjustments to your investment strategy and retirement plan to stay on track. Be prepared to adapt to market conditions and personal changes.
- ☐ **Liquidity Analysis:** Conduct a cash flow and liquidity analysis annually to ensure you have sufficient short-term reserves and that your withdrawal strategy aligns with market conditions and retirement goals.

9. SEEK PROFESSIONAL ADVICE

- ☐ **Financial Advisor:** Consult with a financial advisor to create a personalized retirement plan. A professional can help you navigate complex financial decisions and optimize your strategy.
- ☐ **Tax Professional:** Work with a tax professional to optimize your tax strategy. They can help you identify tax-saving opportunities and ensure compliance with tax laws.
- ☐ **Legal Advisor:** Consider legal advice for estate planning and asset protection. A legal expert can help you structure your estate to minimize taxes and ensure your assets are distributed according to your wishes.

10. SIMPLE IRA / MATCH PLAN FOR EMPLOYEES

- ☐ **Contribution Limits:** Employees can contribute up to \$16,000 to a SIMPLE IRA. If you are 50 or older, you can make an additional \$3,500 catch-up contribution, bringing the total to \$19,500.
- ☐ **Employer Contributions:** Matching contributions up to 3% of compensation, or Non-elective contributions of 2% of compensation for all eligible employees.
- ☐ **Key Benefits:** SIMPLE IRAs are ideal for small businesses and self-employed individuals. Contributions are tax-deferred, and earnings grow tax-free until withdrawal. Lower administrative costs compared to 401(k) plans.

Important Disclosures:

This material was created for educational and informational purposes only and is not intended as ERISA, tax, legal or investment advice. If you are seeking investment advice specific to your needs, such advice services must be obtained on your own separate from this educational material.

Investing involves risks including possible loss of principal. No investment strategy or risk management technique can guarantee return or eliminate risk in all market environments.

All information is believed to be from reliable sources; however, LPL Financial makes no representation as to its completeness or accuracy.

Sources

Forbes: "Advanced Retirement Planning for High-Net-Worth Individuals"

Kiplinger: "Strategies for Wealthy Retirees"