

# 2016 RETIREMENT CONTRIBUTION LIMITS

## Modified Adjusted Gross Income (MAGI) Limitations for IRA Contributions

	2016	2017
Traditional IRA		
Single Filers	\$61,000	\$62,000
Married Filing Jointly	\$98,000	\$99,000
Roth IRA		
Single Filers	\$117,000	\$118,000
Married Filing Jointly	\$184,000	\$186,000
Roth Conversions	None	None



### Slight Revisions for 2017

Minor changes were made to income phase-outs for IRA contributions. Otherwise, there were no significant changes to savings opportunities and income thresholds.

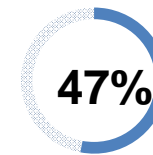
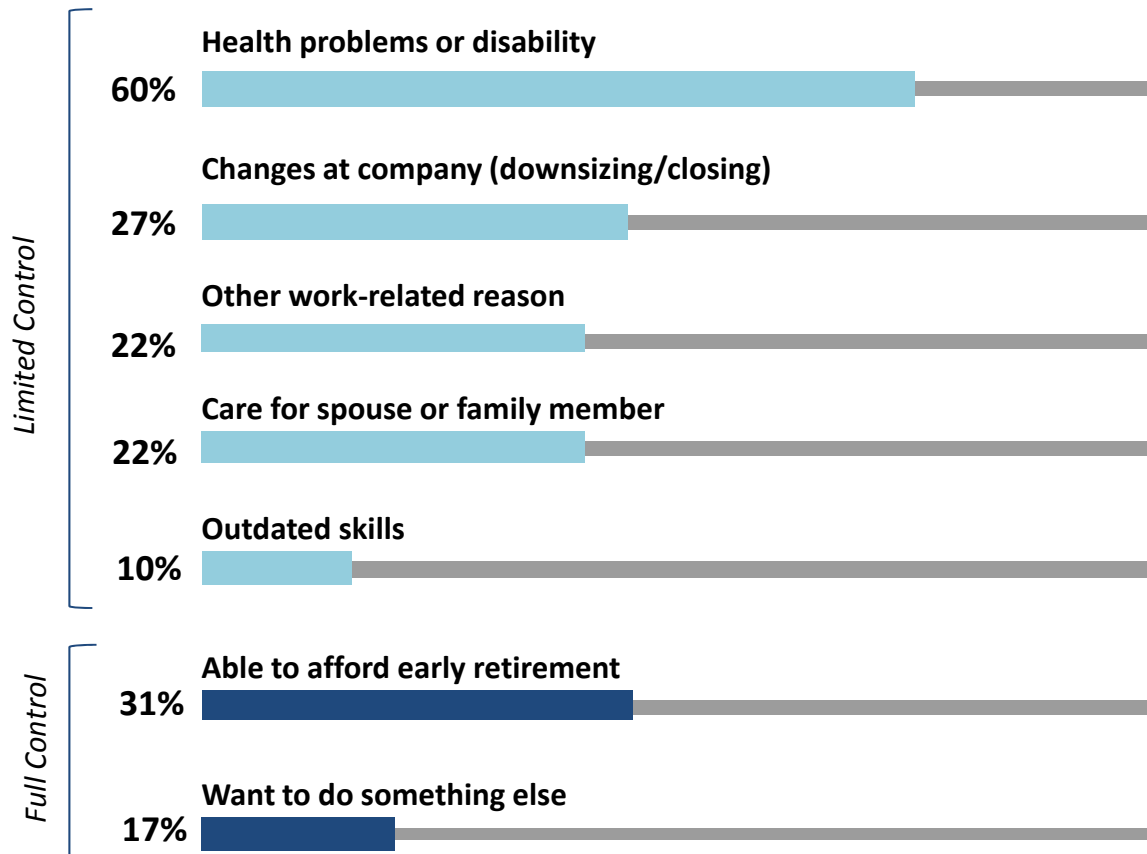
## Retirement Benefit Limits

	2016	2017
Contribution Limits for 401(k)/ 403(b) Plans	\$18,000	\$18,000
Age 50+ Catch-up	\$6,000	\$6,000
Contribution Limits for SIMPLE IRA Plans	\$12,500	\$12,500
Age 50+ Catch-up	\$3,000	\$3,000
Contribution Limits for IRAs	\$5,500	\$5,500
Age 50+ Catch-up	\$1,000	\$1,000
Contribution Limits for Defined Benefit Plans	\$210,000	\$215,000
Contribution Limits for SEP IRA and Solo 401(k)	\$53,000	\$54,000

# RETIRING EARLIER AND LIVING LONGER



While the expected median retirement age for workers is 65, the actual retirement age was 62. Only 23% of workers actually met their intended retirement age expectation. Below are some of the reasons cited for retiring earlier than planned:



### Longevity Fact

47% Probability that one spouse will live to age 90 or beyond

### Spending Fact

Household spending peaks at the age of 45, after which spending declines in all categories except healthcare and Charitable contributions/gifts. Housing is the largest expense, even at older ages.

# RETIREMENT PLANNING CONSIDERATIONS



## Ways to maximize retirement saving:

1. Maximize contributions to Retirement Plans (401(k), 403(b)), deferring at least your company’s match
2. Maximize after-tax assets in your portfolio:
  - I. Contribute to a Roth IRA or Roth 401(k) to increase tax-free assets within your portfolio
  - II. Consider making a nondeductible IRA contribution that can be converted to a Roth IRA
  - III. Consider converting an IRA to a Roth IRA
3. Consider establishing a Spousal IRA
4. If self-employed, maximize retirement savings by contributing to a SEP IRA, Keogh, Defined Benefit Plan or Solo 401(k)



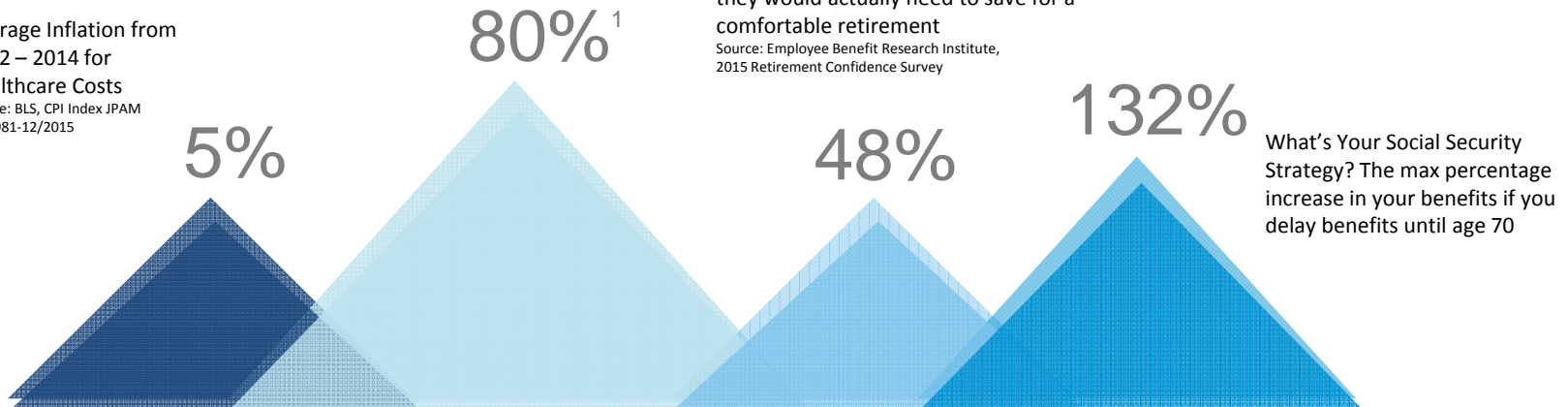
## A few important considerations to help optimize savings:

Our Financial Modeling and Retirement Projections can help you identify what is the probability of success that you are able to achieve your goals during your lifetime

In 2015, the number of workers who had tried to calculate how much money they would actually need to save for a comfortable retirement

Source: Employee Benefit Research Institute, 2015 Retirement Confidence Survey

Average Inflation from 1982 – 2014 for Healthcare Costs  
Source: BLS, CPI Index JPAM 12/1981-12/2015



<sup>1</sup> this does not represent actual probability of success for any individual