

Retirement can sneak up on you.

While it seemed like a lifetime away at one point, it now may feel like retirement is just around the corner. Maybe at one point, you wanted to work forever, but now you're ready to walk out of your workplace for good. Or maybe you've started daydreaming about a little cabin on a lake. You may have even entertained the idea of starting that business you've always imagined but could never commit to because of your career. But if you're in your 50s and have little saved for retirement, it may feel like these dreams will only ever be dreams.

You're not alone. [Annuity.org](https://www.annuity.org) estimates that 22% of people have saved less than \$5,000 towards retirement, and 15% haven't saved at all. There are many things you can start to potentially boost your retirement savings. Here's some of them:

- Do a detailed inventory of your current spending and see what can potentially be reduced or eliminated. This could be downsizing to a smaller home, moving to a more affordable city, or reducing the number of vehicles you own. This can be especially important if you carry a large mortgage that you don't want to be paying down when you're in your 70s.
- Consider putting off retirement. If you were unable to save properly earlier in life, putting off retirement by five or ten years will give you additional time to potentially build your savings.

- If your 401(k) plan allows it, you can take advantage of catch-up contributions. After you turn 50, you can contribute an additional \$7,500 to traditional and safe harbor 401(k) plans, or \$3,500 to SIMPLE 401(k) plans. You can learn more about contribution limits through [the IRS website](#).
- If you have a traditional or Roth IRA, you can increase contributions by \$1,000 (for a total of \$7,500) when you turn 50.
- Try to eliminate credit card debt. When you're on a fixed retirement income, every bit of savings matters. High interest and late payment fees can quickly eat away at your savings. Aim to only use your credit card if you know you can pay the bill in full each month, or in case of emergency.
- Use retirement as an opportunity to change jobs. While many retirees look forward to the day they stop working, some struggle with the idea that they'll no longer be using their skills in a meaningful way. This is why some retirees start a new career in retirement, expand their hobbies into a business, or work in a job they love rather than something they had to do to pay the bills. So if an intriguing business venture shows up close to your retirement, don't necessarily write it off. It may be your post-retirement career.

Whether you plan to work past retirement age or want to make the most of the next few working years, increasing your saving efforts may increase the opportunities available when you do retire. It's never too late to start, and if you need

guidance, send us a message and let's start building your retirement plan.

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