

# PLAN FOR RETIREMENT LIKE A PRO



As State Treasurer, I am passionate about many things – returning unclaimed property, helping families save for higher education, promoting financial literacy, breaking barriers for individuals with disabilities – but I am also a huge advocate for retirement planning and saving. To help you plan for retirement like a pro, I've gathered important facts to keep in mind and created a few guides to help you distinguish between the top four most common retirement plans.

## BY THE NUMBERS

There are many factors that go into planning for retirement. Below are a few numbers to keep in mind as you prep:

- Experts estimate **70% - 90%** of your preretirement income will be needed to maintain the same standard of living in your post-work life.
- The average American spends roughly **20 years** in retirement. And with life expectancies increasing, that may only grow.
- On average, Social Security benefits replace **40%** of preretirement income.

Know your retirement needs, start saving, keep saving and stick to your goals! Future you will be thankful you did.

## TYPES OF RETIREMENT PLANS

Check out these additional resources from the Department of Labor and the AARP to continue your retirement planning journey.

## Roth IRA

- Set up by an individual
- Contributions and earnings grow tax-free
- After age 59 ½, you can withdraw funds tax- and penalty-free
- No mandatory withdrawals
- Income limitations to open an account

*Roth IRA: Set up by an individual; contributions & earnings grow tax-free; after age 59 1/2 you can withdraw funds tax- and penalty-free; no mandatory withdrawals; income limitations to open an account.*

## Traditional IRA

- Set up by an individual
- Contributions are tax-deductible on your annual tax return
- Pay taxes on your withdrawals
- Must start taking withdrawals after age 72
- No income limitations to open an account

*Traditional IRA: Set up by an individual; contributions are tax-deductible on your annual tax return; pay taxes on your withdrawals; must start taking withdrawals after age 72; no income limitations to open an account*

## Roth 401(k)

- Offered through employers
- Employers may offer a match to your contributions
- Contributions made with after-tax dollars
- Income limitations to open an account

*Roth 401(k): Offered through employers; employers may offer a match to your contributions; contributions made with after-tax dollars; income limitations to open an account.*

## Traditional 401(k)

- Offered through employers
- Employers may offer a match to your contributions
- Contributions are made with before-tax dollars
- No income limitations to open an account

*Traditional 401(k): Offered through employers; employers may offer a match to your contributions; contributions are made with before-tax dollars; no income limitations to open an account*

Check out these additional resources from the Department of Labor and the AARP to continue your retirement planning journey.

[Top 10 Ways to Prepare for Retirement](#)

[Retirement Made Easy](#)