



Department of Transport & Road Safety

When's the right time to retire? You could set a date by a milestone, like when you reach a certain age or save a certain amount. The important thing is to plan ahead. Use these tips to help you control your finances and lifestyle post-retirement.

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| <input type="checkbox"/> 1. Pay off debts
Work to pay off loans and credit cards before you retire, starting with those with the highest interest rates. You don't want to lose retirement income on old debts. | <input type="checkbox"/> 7. Build an emergency fund
Save enough money to cover at least 6 months of expenses in case of emergency. Keep the money accessible in a separate savings or money market account. |
| <input type="checkbox"/> 2. Lock down healthcare
Research and choose a healthcare plan for yourself if you retire before age 65. Otherwise, Medicare will take care of most of your needs. Since medical costs can be your biggest expense as you age, consider adding supplemental insurance. | <input type="checkbox"/> 8. Complete your estate planning
Make sure you have a current will, power of attorney, and healthcare proxy. If you haven't already, designate beneficiaries for your retirement accounts, insurance plans, and other assets. |
| <input type="checkbox"/> 3. Plan where you'll live
Will you stay put or downsize? If you move, will your new location have a higher cost of living? Your housing may change over time, so think through a variety of scenarios. | <input type="checkbox"/> 9. Prioritize your bucket list
Review the things you'd like to do and places you'd like to visit in retirement. Schedule the more rigorous activities for the near future to take advantage of your health. |
| <input type="checkbox"/> 4. Create a budget
Estimate your expenses in retirement, by month and by year. The more detailed the better. Multiply your yearly budget by at least 25, to cover a longer retirement. | <input type="checkbox"/> 10. Part with less essential possessions
Start setting things aside that you no longer use. Ask your family what items they want and donate the rest. |
| <input type="checkbox"/> 5. Make a withdrawal plan
Track when your benefits begin for your pension, 401k, and IRA, noting which require minimum distributions. Consider waiting until age 65 to apply for Social Security to claim full benefits. | <input type="checkbox"/> 11. Consider your next career
If you want to keep working, do it. Find a job or project that fits your lifestyle and interests. The money you earn and pleasure you derive from your job can be very rewarding. |
| <input type="checkbox"/> 6. Retool your investments
Decrease your exposure to stocks and investments with higher risk. Consider annuities, bonds, and other, more conservative options. | <input type="checkbox"/> 12. Do a practice run
Envision what your days and weeks in retirement will be like. List the interests, hobbies, and social interactions you'll engage in to make life fulfilling. Do you like what you see? If not, what could you change? |
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