

Wednesday, October 28, 2020

Wealth Wednesday Tip #577: You should have eight times your income saved by the time you turn 60.

If you are nearing 60 (or already reached it) and no where close to that number, you're not the only one behind. A 2020 TD Ameritrade report, which surveyed 2,000 U.S. adults ages 40 to 79 with at least \$25,000 in investable assets, found that 28% of those in their sixties have less than \$50,000 in retirement savings.

(Source: CNBC)

<https://www.cnbc.com/select/savings-by-age-60/>

Wisdom Wednesday

Pitfall of only using a 401(k) for retirement... Tax advantages are among the most frequently cited benefits for 401(k)s. Contributions are pre-tax, meaning that they are deducted from paychecks and excluded from taxable income, which allows these funds to grow on a tax-deferred basis throughout a person's career. Qualifying withdrawals are taxed as ordinary income while avoiding capital gains taxation. Tax diversification can be transformative to a portfolio, we can help