



Ready, Set, Retire—8 Deadlines You Need to Know

This guide to important dates for Medicare, Social Security and retirement may help minimize taxes and maximize income.



AGE 50

Tax-advantaged “catch-up” contributions to 401(k)s and other employer-sponsored retirement plans, as well as to IRAs, can begin at this age. Amounts are subject to change each year. Visit irs.gov for the most up-to-date amounts.



AGE 55

You may be eligible to take an income distribution from your workplace 401(k) or other employer-sponsored retirement plan without paying an additional 10% tax for early withdrawal (on top of regular income taxes) when you reach age 55. But that applies only if you’ve left the employment of the company sponsoring the plan.



AGE 59½

Withdrawals from 401(k)s or an IRA are no longer subject to the 10% early withdrawal tax once you reach age 59½, though you’ll still owe income tax on distributions from traditional 401(k)s and traditional IRAs.



AGE 62

You can choose to begin receiving Social Security income at this age. But for each year you postpone taking this benefit (until age 70), your monthly check will be larger.



AGE 65

Eligibility for Medicare, the federal government’s retirement health insurance program, begins at age 65 for most Americans. This is also when you may want to consider purchasing a private “Medigap” insurance policy to help with copayments and deductibles not covered by Medicare.



AGE 66

Age 66 is your “full retirement age” for Social Security if you were born between 1943 and 1953. Your “full retirement age” is the age at which you may first become entitled to full or unreduced retirement benefits. For those born after 1954, full retirement age will increase by two months a year until reaching the current maximum of age 67, for those born in 1960 and later.



AGE 70

You’ll get the biggest possible monthly benefit for Social Security if you’ve waited until age 70 to begin receiving payments, and your benefit may be as much as 76% larger than if you had started receiving payments at age 62.



AGE 70½

Required minimum distributions from traditional retirement plans such as 401(k)s or IRAs must begin at this age. If you don’t begin these distributions within the required time frame, you’ll incur a significant tax penalty.



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