

Retirement

Consider the issues

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- The amount of income you'll need in retirement will vary depending on your lifestyle, health issues, tax bracket, retirement age, and cost of living, among other things.
- Often you hear that you will need 70% to 80% of your pre-retirement income, but it is not uncommon to need 100% or more.
- Approximately 40 percent of the 65-and-over population will eventually need long-term care, with an average stay of 2.5 years at a cost ranging from \$30,000-\$65,000 annually (source: Partnership for Long Term Care, University of Maryland Center on Aging, October 2002)
- What you invest in will depend on how long you have until you retire — as you near retirement, you might consider moving from aggressive, growth-focused investments into more conservative, income-producing investments.
- If you move to a sunnier locale when you retire, you may have to file income tax returns in two states, as well as face unexpected local income taxes.