DENVER WEALTH MANAGEMENT

DENVER WEALTH MANAGEMENT, INC. | STANDARD OF CARE

# LIFE IN YOUR 60'S

**Your 60's bring a plethora of financial milestones ranging from tax considerations to Social Security to retirement. For assistance, please do not hesitate to reach out to our team—call our office at (303) 261-8015.**

## SENIOR CITIZEN PROPERTY TAX EXEMPTIONS (COLORADO)

**If you qualify, 50% of the first $200,000 of the actual value of your primary residence is exempt from Colorado property tax. Below are the qualifications.**

- [ ] You must be 65 years old by January first in the year that you are applying.
- [ ] Have you lived in your home for the past ten years? If not, you do not qualify.
- [ ] Submit your application by July 15th for the year in which you are requesting an exemption (you only need to apply one time) .

## ADDRESSING YOUR SOCIAL SECURITY BENEFITS

**Social Security (SS) is a tricky road to navigate alone. Ask us about our various educational SS resources, including live workshops and videos.**

- [ ] Locate your original birth certificate.
- [ ] Consider your age. For each year after 62 that you wait to claim, there is an 8% increase in your monthly benefits, maxing out at 70 years old.
- [ ] Locate your military service papers (if applicable).
- [ ] Apply for Social Security online (visit: www.ssa.gov).
- [ ] Compare your expected benefits with your current expenses.
- [ ] Discuss your retirement plans with your spouse.
- [ ] Consider your former spouse's benefits (if applicable) as they may be higher than yours.

## INSURANCE WHILE IN RETIREMENT

**Healthcare is the top concern among retirees. Follow the list below to financially address your long-term medical needs.**

- [ ] Educate yourself on Medicare. Ask our team about educational resources that we provide.
- [ ] Determine whether you are eligible for Medicare.

## INSURANCE WHILE IN RETIREMENT (CONT.)

- [ ] Sign up for Medicare between the three months prior and three months following your 65th birthday. Note: You may be subject to a late enrollment penalty that increases your premium by 10% for each 12-month period that you could have had Medicare, but did not.
- [ ] If your spouse is still working, determine if his/her insurance will impact yours.
- [ ] Assess your own health to determine suitable coverage options.
- [ ] Analyze plans and compare costs.

## RETIREMENT

**Your years of hard work have led up to this moment: retirement.**

- [ ] Address your Social Security timeframe.
- [ ] Explore your insurance options.
- [ ] Update your budget with new income and expenses.
- [ ] Consider the potential benefits of working for another year or two.
- [ ] Discuss your retirement lifestyle with your spouse. What do you want to do? Where do you want to go?
- [ ] Assess the potential risks associated with retirement.
- [ ] Consolidate your assets (e.g., retirement plans).
- [ ] Determine where to send required minimum distributions (RMD) if you do not need them (i.e., charity).

## REQUIRED MINIMUM DISTRIBUTIONS (RMD)

**For tax purposes, the IRS requires investors to make annual withdrawals from traditional IRAs and employer-sponsored retirement plans. Those withdrawals are called required minimum distributions (RMD).**

- [ ] Research the timing of your RMDs and determine when you have to start. You must begin withdrawals by April 1st following the year in which you turned 72. Note: Missed RMDs are subject to a 50% penalty on top of the missed amount.
- [ ] Determine whether you intend to live off of your RMD.
- [ ] Calculate your minimum distribution (visit www.irs.gov for current RMD worksheets).

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## REQUIRED MINIMUM DISTRIBUTIONS (RMD) (CONT.)

- [ ] Explore ideas to minimize your RMDs and the respective tax consequences.
- [ ] Speak with your financial advisor about Roth conversions to determine if they may be suitable for you.

## UPDATE YOUR BUDGET

**Update your budget, considering new sources of income and expenses.**

- [ ] Compile a list of your total expenses.
- [ ] Calculate your household income.
- [ ] Identify any unused services that can be eliminated (e.g., TV streaming services).
- [ ] Reassess your emergency savings needs.
- [ ] Determine your fixed vs. discretionary expenses.



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This information is not intended to be a substitute for individualized tax or legal advice. We suggest that you discuss your specific situation with your tax or legal advisor.

Traditional IRA account holders should consider the tax ramifications, ages, and income restrictions in regard to executing a conversion from a Traditional to a Roth IRA. The converted amount is generally subject to income taxation.