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Age Isn't Just a Number



Your age will have a significant impact on your finances, your decisions, and your future.

There's good reason to celebrate every time the calendar rolls around to the day of your birth. In addition to celebrating with cake, gifts, and gatherings, your birthday may also trigger a financial opportunity, expense, or legal requirement.

Age 16	Age 18	Age 18-22	Age 21
Obtaining a driver's license may result in additional expenses such as a new car purchase, gasoline, insurance, and maintenance.	The age of majority in Michigan is 18. Children will take sole ownership of Uniform Transfer or Gift to Minors Accounts at 18, if not specified otherwise.	The average cost of a 4 year college degree in Michigan is approximately \$69,000. This is a tuition increase of 6.15% from 2014 to 2015.	Many 401(K) plans allow participation after 1 year of service and upon turning 21 years old.

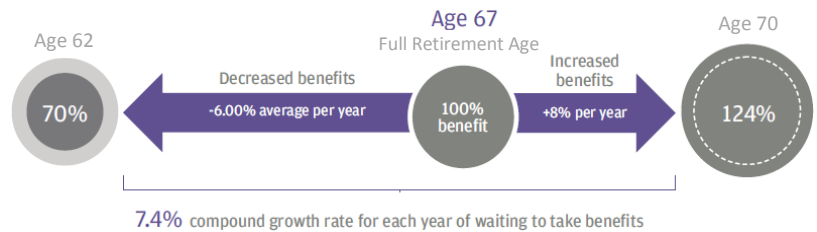
The fundamental key to success is knowledge and awareness. If you do not know your options, how can you possibly make the best decisions for yourself?

- Did you know that when you turn 50, you can defer more of your income into a qualified retirement account?
- Did you know that after your 55th birthday, you can withdraw penalty-free from your 401(k) after separation of service from your employer?

Age 26	Age 50	Age 50	Age 55
A dependent is no longer eligible for coverage on his/her parent's health insurance plan.	You are eligible to make catch-up contributions to IRAs and 401(K)s. IRAs: +\$1,000 401(K)s: +\$6,000	First eligible for survivor's Social Security (SS), if disabled. Benefit amount is 71% of deceased worker's Primary Insurance Amount* (PIA) at age 50.	You are eligible for a penalty-free distribution from a 401(K) plan if separating from service.

Simplifying Life by Creating Wealth Solutions through Understanding.

- If your 401(K) Plan isn't performing well and you want more investment options, did you know that at age 59 ½ many plans allow in-service rollovers to IRAs?
- Did you know that you are first eligible for a reduced Social Security retirement benefit at age 62, but there are many incentives to delay filing until your Full Retirement Age or later?



*Source: Social Security Administration, J.P. Morgan Asset Management



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Age 59 ½	Age 60	Age 62	Age 65
You are first eligible to withdraw from your IRA without incurring a 10% penalty.	You are first eligible for survivor's SS.	First eligible for 70-75% of your SS retirement benefit or 30-35% of your spouse's PIA.	First eligible for Medicare health benefits.
Many 401(K) plans allow in-service transfers to an IRA.	Your benefit amount at age 60 will be about 71% of the deceased worker's PIA.	At age 62 survivors are eligible for 82% of the deceased spouse's PIA.	It is recommended that you apply 3 months before your 65 th birthday.

- Did you know that if you do not sign up for Medicare Part B when you are first eligible, you may have to pay a late enrollment penalty for as long as you have Medicare Part B.
- Did you know that the penalty for not taking your Required Minimum Distribution by the deadline is 50% of the calculated mandatory distribution?

Age 65	Age 66-67	Age 70	Age 70 ½
You can no longer contribute to a Health Savings Account (HSA) if on Medicare.	SS Full Retirement Age (FRA) for those born after 1942.	The maximum age you can delay receiving SS benefits.	The IRS requires that you take distributions from your IRA by April 1 st of the year after you turn 70 ½.
Non-qualified distributions from an HSA are penalty-free.	Eligible for 100% of your PIA or 50% of your spouse's PIA.	Your SS benefit will increase 8% for each year delayed after your FRA.	The distribution is based on last year's ending IRA balance and your age.
	Survivors are eligible for 100% of the deceased spouse's PIA.		

There's no question that our lives are full of financial markers. They may be initiated by a major life event such as a marriage, birth, divorce, retirement, or death, but they may also be initiated by something as predictable as your birthday. In many instances, age isn't just a number. It's a reminder that you have a new financial opportunity or obligation, and ignoring these prompts will likely cost you money, time, or stress.

Tri-Star Trust Bank believes that "wealth", like age, isn't just a number; it's a feeling. It's the feeling of contentment, security, and peace of mind knowing that if something unexpected were to happen, you would be prepared to deal with it. It's the feeling of pride and accomplishment because you took the necessary steps to make your retirement everything you wanted it to be.

Your team at Tri-Star works very hard to help you achieve this unparalleled sense of "wealth"! Please reach out to us, if you have questions or would like to know more about any of this information.

simplify

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