

## THE TOP 10 REASONS NOT TO PLAN FOR RETIREMENT

*A different kind of Top Ten list.*

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You probably read or hear about some “Top Ten” list nearly every day. But take a moment to read this one. This list is different, and probably not the kind of list you’d expect a Financial Advisor to write.

### **Reason #10: “I’m too busy”**

I can’t tell you how often I hear this excuse. So many people want to plan for a better retirement, but they don’t have time. They think they’ll take care of it tomorrow, or the day after that ... and before they know it, several years have gone by. The best advice I can give you is to stop procrastinating and start planning today.

### **Reason #9: “It’s too soon”**

I don’t know how this happened, but many people have adopted the notion that you don’t have to start planning for your retirement until you’re almost there. This is totally incorrect. The truth is, the sooner you start planning, the better chance you stand of having the kind of retirement you want. It’s never too soon. Many people start planning in their early twenties!

### **Reason #8: “It’s too late”**

If you’re already near or past your retirement eligibility date, you may think that whatever you’ve got is what you’re stuck with and it’s too late to do anything about it. Think again. If you’re unsure of what your options are, speak to a professional. Even if you’ve already retired, it’s important to consider how you’re receiving income and how long it will last. It’s never too late to revise your income distribution strategy.

### **Reason #7: “I don’t need to”**

I’ve heard this excuse many times and it always baffles me. Many people think that because they’ve been diligent about contributing to a savings account, they’re all set. While saving for retirement is good, you also need a plan for income distribution once you enter retirement. Are you certain that what you’re saving will be enough? Have you considered your distribution plan? What about taxes? What about inflation? And are you sure your money will be properly invested? There may be other, better options for you and it may prove worthwhile to look into them.

### **Reason #6: “I don’t have enough money to get started”**

This excuse seems marginal at first glance, but there is some truth behind it. You need to have money to save or invest money. However, unless your bills are exactly equal to or greater than your net income, you DO have enough to get started. Starting small is better than not starting at all, and if you plan well, you’ll eventually have more to work with.

**Reason #5: “My finances are a mess”**

This is all the more reason to seek out an advisor who can help you sort through and understand your assets. Perhaps you have a 401(k) from a former employer that has not been rolled over, a couple of savings accounts, a trust from a deceased relative, some stocks that your parents bought in your name when you were younger ... a circumstance like this can be confusing, but leaving it as it is won't improve the situation. Consider speaking with an advisor who can look at your complete financial picture, help you to understand it, and help you to develop a plan to make your “financial mess” work for you.

**Reason #4: “The Government will take care of me”**

The bottom line is this ... there's a chance Social Security may not be available when you retire, and even presuming it is, it may not be enough to provide your ideal retirement income. If you're planning to retire on Social Security alone, I would advise you to create a back-up plan at the very least.

**Reason #3: “Between my savings and my 401(k), I'll be fine”**

Saving for retirement without an income distribution plan can be a mistake. How will you use that money once you have it? And while you may think you'll have everything you're going to need, have you considered inflation? Taxes? And furthermore, some people are living past 90. Will your assets last that long? If you outlive your income, what then? It's a good idea to look ahead and plan lifelong income.

**Reason #2: “I don't want to think about it”**

Many people procrastinate simply because the thought of discussing financial matters (or growing old) is unappealing. I can certainly understand that. But consider this ... if you bite the bullet now and put a firm plan in motion, you may not have to think about it again for quite some time.

**Reason #1: “I don't know how”**

If you knew everything there was to know about financial planning, you'd probably be a financial advisor yourself. While it is possible to do everything on your own, that generally involves a great deal of research and a huge time commitment. If you're putting off retirement planning because you don't know how, consider speaking to a professional who does.

These are just some of the reasons why people don't plan for retirement ... but these are reasons, and not excuses. If you have retirement goals you want to reach, I would recommend you speak to a qualified Financial Advisor and set up an action plan. The sooner the better.

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