

# 4 Retirement Milestones

by Darol Tuttle

When approaching your retirement, remember these four key dates to maximize your retirement savings!

**Age 59½ for Penalty Free Withdrawals.** You can start taking distributions from your IRA without the 10 percent early-distribution penalty.

**Age 62 for Early Social Security.** Starting benefits at this age is allowable, but you'll reduce your benefit amount by about 25 percent. If you can keep working for a few more years, you'll still be contributing to your account and enjoy higher benefits later.

**Age 65 for Medicare.** Happy birthday, you've got medical coverage. If you're already receiving social security, you'll be automatically enrolled into Medicare Part A. You can change this selection, get supplemental insurance (Medigap) and select prescription drug coverage, but you have to make those selections. If you're not collecting benefits at the time you reach 65, you can go online to apply for Medicare at: [www.socialsecurity.gov](http://www.socialsecurity.gov).

**Age 70½ for Mandatory Retirement Plan Distributions .** If you decided to wait to begin taking money out of your IRA and retirement plans, the tax man wants his share now. First-time withdrawals can be delayed until April 1 of the year after you turn 70½, but you'll have to take two distributions within one year and that may put you in a higher tax bracket. Plan accordingly.