

TOP 10 THINGS TO DO

To Prepare for Retirement Right Now

If you are between 55 and 65, you are in the most critical window of your financial life: the **Retirement Red Zone**. The decisions you make in the next 5–10 years will shape your retirement for decades. This guide gives you a clear, actionable roadmap to help ensure your money lasts, your taxes stay low, and your legacy is protected.



Prepared by Turnpoint Wealth | Comprehensive Retirement Planning | www.turnpointwealth.com

01 Calculate Your True Retirement Number

Before you do anything else, you need to know how much money you will actually need. Most people guess — and they guess wrong. Work with a financial advisor to build a detailed retirement budget that accounts for housing, healthcare, travel, hobbies, and inflation. A common benchmark is 70–90% of your pre-retirement income, but your lifestyle goals are unique.

Advisor Tip:

Do not forget to factor in potential long-term care costs — one of the most overlooked retirement expenses that can rapidly erode a portfolio.

02 Maximize Your Catch-Up Contributions

Once you are 50+, the IRS allows additional catch-up contributions to your retirement accounts. In 2026, you can contribute up to \$24,500 to your 401(k) as the standard limit. If you are age 50 or older, you can add an extra \$8,000 catch-up contribution for a total of \$32,500. And if you are between ages 60 and 63, SECURE 2.0 introduced a super catch-up of \$11,250, bringing your total potential 401(k) contribution to \$35,750. For IRAs, the 2026 limit is \$7,500, with an additional \$1,100 catch-up for those 50 and older.

Advisor Tip:

If your employer offers a 401(k) match and you are not contributing enough to capture it fully, that is free money you are walking away from every paycheck.

03 Build a Tax-Efficient Withdrawal Strategy

Knowing when to draw from which accounts can save you tens of thousands of dollars in taxes. Your portfolio likely has three buckets: taxable accounts, tax-deferred accounts (Traditional IRA, 401(k)), and tax-free accounts (Roth IRA). The sequence in which you draw from these has enormous implications for your lifetime tax bill and your Medicare premiums.

Advisor Tip:

Begin planning your withdrawal strategy at least 5 years before retirement — not the day you retire.

04 Develop a Social Security Optimization Plan

When you claim Social Security is one of the most consequential financial decisions you will make. Claiming at 62 versus 70 can result in a difference of 76% in your monthly benefit. For married couples, coordinating claiming strategies can maximize lifetime household income.

Advisor Tip:

Delaying Social Security to age 70 increases your benefit by 8% per year — a guaranteed return you cannot find anywhere else.

05 Plan for Healthcare Before Medicare Kicks In

Medicare eligibility begins at age 65. If you retire early, you will need to bridge the gap. Options include COBRA continuation coverage, a spouse's plan, ACA marketplace coverage, or a Health Savings Account (HSA). Healthcare is often the single largest expense in early retirement.

Advisor Tip:

Maximize your HSA contributions now. HSA funds roll over indefinitely and can be withdrawn tax-free for qualified medical expenses at any age.

06 Stress-Test Your Portfolio Against Sequence Risk

Poor market returns in the early years of retirement can devastate a portfolio, even if long-term returns are fine. This sequence-of-returns risk is why asset allocation near retirement needs careful review. Make sure your portfolio is positioned so a market downturn early in retirement does not force you to sell assets at depressed prices.

Advisor Tip:

Consider building a 1–2 year cash or short-term bond buffer to cover living expenses without selling stocks during a market downturn.

07 Review and Update Your Estate Plan

Your estate plan — including your will, trusts, powers of attorney, and healthcare directives — should be reviewed every 3–5 years and after any major life event. Beneficiary designations on retirement accounts and life insurance supersede your will, so ensure they are current.

Advisor Tip:

Check the beneficiary designations on every account — especially those inherited from a spouse or opened decades ago.

08 Create a Roth Conversion Strategy*

The years between retirement and when you begin taking Required Minimum Distributions (RMDs at age 73) are often a low-tax window. Converting funds from a Traditional IRA to a Roth IRA during this period can reduce future RMDs, lower lifetime taxes, and leave a tax-free inheritance for your heirs.

Advisor Tip:

Converting just enough each year to fill up a lower tax bracket can save significant money over time without pushing you into a higher bracket.

09 Get Clarity on Your Income Floor

Retirement security starts with covering your essential expenses — housing, food, utilities, healthcare — with guaranteed income sources: Social Security, pension, and annuities if applicable. Once your income floor is secure, your investment portfolio becomes a source of lifestyle enhancement, not survival.

Advisor Tip:

If your guaranteed income does not cover essentials, explore whether a low-cost income annuity could fill the gap before you overspend your portfolio.

10 Partner with a Comprehensive Retirement Planner

Retirement planning is not a one-time event — it is an ongoing process. Tax laws change, markets move, health evolves, and family circumstances shift. A comprehensive retirement planner brings together tax planning, investment management, estate coordination, and income strategy in a holistic plan.

Advisor Tip:

Look for a fiduciary advisor — one who is legally required to act in your best interest, not one who is merely required to find suitable products for you.

Ready to Build Your Personalized Retirement Plan?

At Turnpoint Wealth, we specialize in helping families in the Retirement Red Zone navigate the critical years before and after retirement. From comprehensive retirement planning and tax-efficient strategies to estate planning and investment management, we bring everything together in one cohesive plan built around your life.

Schedule Your Complimentary Retirement Readiness Review

www.turnpointwealth.com

Our Services: Comprehensive Retirement Planning | Tax-Efficient Withdrawal Strategies | Estate Planning | Investment Management

***Roth conversions are a taxable event and may increase your current income tax liability.**

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