Help keep your retirement plans on track

ATHENE
Driven to do more.®

Like most significant life events, retirement is both a destination and a journey. The path to life after work is paved with milestones. Achieving them will have a major impact on how you live in retirement.

Use this retirement timeline to mark some of those milestones. It's a helpful tool to use as you work with your financial professional to develop a retirement income strategy.

Build a retirement timeline

AGE 50

Increase retirement savings

Subject to IRS guidelines, and if permitted by your 401(k) or profit sharing plan, when you reach age 50 you can begin making additional "catch up" contributions to your plan up to an annual maximum.[1]

[1] Internal Revenue Service, "Retirement Topics – 401(k) and Profit-Sharing Plan Contribution Limits," February 2017, http://www.irs.gov/Retirement-Plans/Plan-Participant,-Employee/Retirement-Topics-401k-and-Profit-Sharing-Plan-Contribution-Limits

This material is provided by Athene Annuity and Life Company headquartered in West Des Moines, Iowa, which issues annuities in 49 states and D.C., and Athene Annuity & Life Assurance Company of New York headquartered in Pearl River, New York, which issues annuities only in New York.

AGE 55

Penalty-free 401(k) zone

In most cases, you will incur a 10 percent penalty on withdrawals from your retirement plan before age 59½. However, if you separate from service during or after the year you reach age 55, that penalty may be waived for some plans such as a 401(k).[2]

AGE 59½

Penalty-free IRA zone

Once you hit this half birthday, you may take Individual Retirement Account (IRA) withdrawals without a tax penalty. Traditional IRA withdrawals will be taxed as income. Roth IRA distributions will be tax-free if the Roth IRA has been held for at least five years.[3]

AGE 62

Social Security eligibility begins

At age 62, you may become eligible for Social Security benefits. Keep in mind, however, that your benefits are reduced by a fraction of a percent for each month before your full retirement age which varies depending on your birth year.[4]

[2] Age 50 for qualified public safety employees of a state, or political subdivision of a state, in a governmental defined benefit plan. Income tax will apply to plan distributions. This rule does not apply to IRA, SEP, SIMPLE IRA and SARSEP Plans. Internal Revenue Service, "Retirement Topics - Exceptions to Tax on Early Distributions," Last reviewed or updated: 30-Jan-2017, https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-topics-tax-on-early-distributions

[3] Internal Revenue Service, "Retirement Topics - Traditional and Roth IRAs," Last reviewed or updated: 30-Jan-2017, https://www.irs.gov/retirement-plans/traditional-and-roth-iras.

[4] Social Security Administration, "Retirement Planner: Benefits By Year Of Birth," August 2017, https://www.ssa.gov/planners/retire/agereduction.html

What is the full retirement age for Social Security?

			At Age 62[7]			
Year of Birth[5]	Full (normal) Retirement Age	Months between age 62 and full retirement age[6]	A $1,000 retirement benefit would be reduced to	The retirement benefit is reduced by[8]	A $500 spouse's benefit would be reduced to	The spouse's benefit is reduced by[9]
1937 or earlier	65	36	$800	20.00%	$375	25.00%
1938	65 and 2 months	38	$791	20.83%	$370	25.83%
1939	65 and 4 months	40	$783	21.67%	$366	26.67%
1940	65 and 6 months	42	$775	22.50%	$362	27.50%
1941	65 and 8 months	44	$766	23.33%	$358	28.33%
1942	65 and 10 months	46	$758	24.17%	$354	29.17%
1943-1954	66	48	$750	25.00%	$350	30.00%
1955	66 and 2 months	50	$741	25.83%	$345	30.83%
1956	66 and 4 months	52	$733	26.67%	$341	31.67%
1957	66 and 6 months	54	$725	27.50%	$337	32.50%
1958	66 and 8 months	56	$716	28.33%	$333	33.33%
1959	66 and 10 months	58	$708	29.17%	$329	34.17%
1960 and later	67	60	$700	30.00%	$325	35.00%

[5] If you were born on January 1, you should refer to the previous year.

[6] If you were born on the 1st of the month, the Social Security Administration figures your benefit (and your full retirement age) as if your birthday was in the previous month. If you were born on January 1, the Social Security Administration figures your benefit (and your full retirement age) as if your birthday was in December of the previous year.

[7] You must be at least 62 for the entire month to receive benefits.

[8] Percentages are approximate due to rounding.

[9] The maximum benefit for the spouse is 50% of the benefit the worker would receive at full retirement age. The % reduction for the spouse should be applied after the automatic 50% reduction. Percentages are approximate due to rounding.

AGE 65

Medicare eligibility begins

Medicare is federal health insurance for people 65 or older and for those under 65 with certain disabilities. For complete rules and regulations, please visit www.medicare.gov.

AGE 70

Maximum Social Security benefits

If you delay claiming Social Security benefits, until after your full retirement age, you may be eligible for increased payments. After age 70, however, there is no additional incentive for delaying benefits.

AGE 70½

Required minimum distributions begin

At this age, you must start taking your annual required minimum distributions (RMDs) from most tax qualified retirement accounts. Although you may withdraw more than the RMD, you cannot withdraw less. Keep in mind that all withdrawals, including RMDs, may be taxed as ordinary income.[10]

Medical insurance: a common obstacle for early retirees

Interested in retiring early? You may have wondered how you're going to pay for health insurance, which is one of the biggest expenses facing early retirees.

Early retirees may have an option for individual medical coverage through state or federal healthcare exchanges if their employer does not offer retiree health insurance. While you can't be turned down or charged more for health reasons, premiums may be costly. You may, however, be eligible for premium subsidies. For complete rules and regulations, visit www.healthcare.gov. You may also want to consider a guaranteed income vehicle, such as an annuity, to help address these expenses when building a retirement income strategy.

Ready to start building your own retirement timeline? Talk with your financial professional today.

[10] Internal Revenue Service, "Retirement Topics – Required Minimum Distributions (RMDs)," Last reviewed or updated: 15-Feb-2017, https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-topics-required-minimum-distributions-rmds.

Annuities contain features, exclusions and limitations that vary by state. For a full explanation of an annuity, please refer to the Certificate of Disclosure and contact your Financial Professional or the company for costs and complete details. Guarantees provided by annuities are subject to the financial strength of the issuing insurance company.

Under current tax law, the Internal Revenue Code already provides tax deferral to qualified money, so there is no additional tax benefit obtained by funding a qualified contract, such as an IRA, with an annuity; consider the other benefits provided by an annuity, such as lifetime income and a Death Benefit.

Any information regarding taxation contained herein is based on our understanding of current tax law. The tax and legislative information may be subject to change and different interpretations. We recommend that you seek professional legal advice for applicability to your personal situation.

Required Minimum Distribution as defined by Internal Revenue Code Section 401(a)(9). The first payment can be delayed until April 1 of the year following the year in which you turn 70½. For all subsequent years, including the year in which you were paid the first RMD by April 1, you must take the RMD by December 31 of the year. If an account owner fails to withdraw a RMD, fails to withdraw the full amount of the RMD, or fails to withdraw the RMD by the applicable deadline, the amount not withdrawn is taxed at 50%.

This material is a general description intended for general public use. Athene Annuity and Life Company, headquartered in West Des Moines, Iowa, and issuing annuities in 49 states and D.C., and Athene Annuity & Life Assurance Company of New York, headquartered in Pearl River, NY, and issuing annuities in New York, are not undertaking to provide investment advice for any individual or in any individual situation, and therefore nothing in this should be read as investment advice. Please reach out to your financial professional if you have any questions about Athene products or their features.

The term "financial professional" is not intended to imply engagement in an advisory business with compensation unrelated to sales. Financial professionals will be paid a commission on the sale of an Athene annuity.

ATHENE ANNUITIES ARE PRODUCTS OF THE INSURANCE INDUSTRY AND NOT GUARANTEED BY ANY BANK NOR INSURED BY FDIC OR NCUA/NCUSIF. MAY LOSE VALUE. NO BANK/CREDIT UNION GUARANTEE. NOT A DEPOSIT. NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY. MAY ONLY BE OFFERED BY A LICENSED INSURANCE AGENT.

19647 (03/18)