

Avoid Big Financial Mistakes for a Successful Retirement

As we enter into the holiday season, we all have so much to do and have to endure a very stressful time. People often neglect their personal finances, or even worse – make **big financial mistakes** that will haunt them down the road.

We need to always be aware of our investments and retirement goals. It's an ongoing process and not a one time event and never considered again. To avoid you making big financial mistakes, consider some advice from an expert.

A few questions to consider are – should you convert part of their IRA to a Roth IRA with little or no tax liability? You may not have done that was possible, but yes you can actually convert your IRA with no tax consequence. Great news!

Marc Sarner is the president of Wake Up Financial and Insurance Services, Inc. He offers his clients retirement solutions for both retirees and pre-retirees. The goal is reduce taxes, increase your income and carefully manage your risks. A good financial adviser has the training and experience to help you succeed.

Should you convert your traditional IRA to a Roth IRA? Here are several advantages to consider.

1) Any growth in a Roth IRA is tax free as long as it has grown for at least five years.

2) Withdrawals from a traditional IRA are taxed because you were able to defer taxes on that money when you made contributions to your account. Withdrawals from a Roth IRA aren't taxed because the deposits into the account weren't tax deductible.

3) With a traditional IRA, when you reach age $70\frac{1}{2}$ you must begin withdrawing a certain amount each year whether you want to or not. That's called the Required Minimum Distribution. But with a Roth IRA, there is no Required Minimum Distribution so even at $70\frac{1}{2}$ you can withdraw as much or as little as you like.

Many financial advisors are used to manage money and plan. But taking into account your tax situation is a critical piece to a successful retirement and another key to avoid big financial mistakes that will hurt you down the road.

Retirement planning for pre-retirees and retirees is a complicated and stressful process. The goal is to be financially independent, so be sure to consider all available options.

So possibly looking at a Roth IRA conversion may be part of your investment strategy to consider by the end of this year. The end result may mean you saving thousands of dollars in the long run.

Choosing the right financial advisor is an important step to help avoid big financial mistakes and impact your retirement plan. If you need to find one, contact us and we can refer a licensed adviser in your area to help you steer through the complicated world of investing. Return to follow this luxury blog for more helpful and informative investment tips.