



Social Security

Now that people are generally living longer, Social Security's rules about what is considered full retirement age are changing. This not only effects what benefits you may be eligible for, but may have an effect on how much you can collect when you reach retirement.

Full retirement age for those born **before** 1938



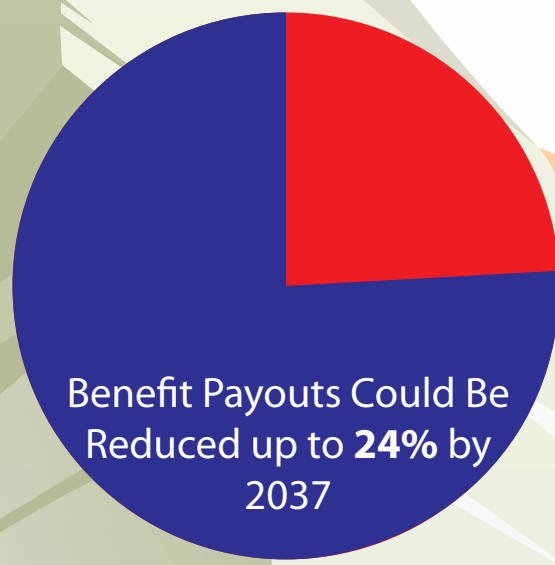
Full retirement age for those born **after** 1938



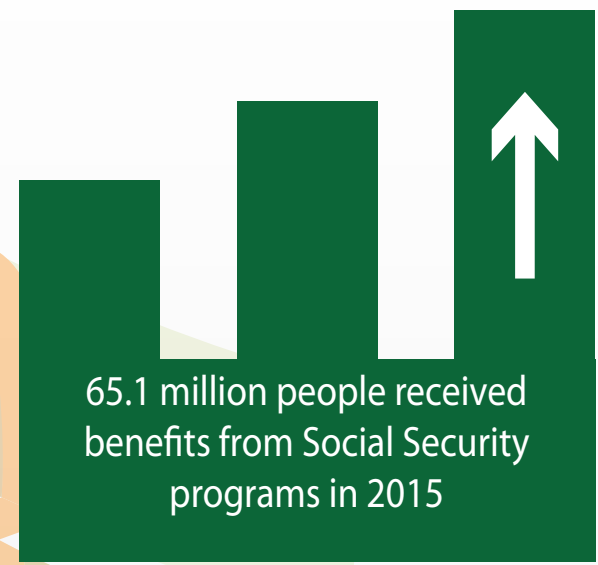
The system does provide for early retirement at age 62, but also offers higher benefits for people who wait to make their claims after reaching full retirement age and continues to increase until age 70.



86% of Supplemental Security Income recipients received payments because of disability in 2015



Benefit Payouts Could Be Reduced up to **24%** by 2037



65.1 million people received benefits from Social Security programs in 2015

Ways To Supplement Social Security



A good solution for those who have a side business with employees, the SIMPLE (Savings Incentive Match Plan for Employees) IRA lives up to its name — the administration is less complex and less costly than other self-employed investing vehicles. Eligible employees are able to defer 3% of their salary or up to \$12,500 into the plan annually (\$15,500 if they are 50 or older). One caveat: You can't make salary deferral contributions to a SIMPLE IRA if you're maxing out salary deferral contributions through another employer retirement plan (unless you're contributing to a 457 plan, which is typically used by government or non-profit organizations).



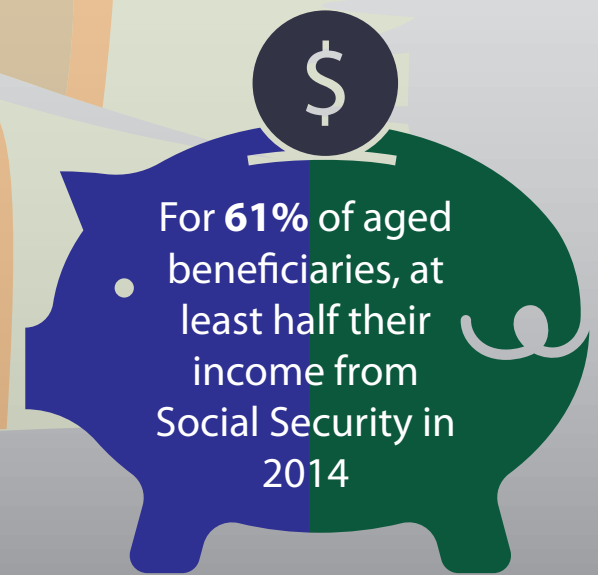
These plans are designed for sole proprietors without employees, with the exception of a spouse, who can contribute if they are also employed by the business. Solo 401(k) contribution limits are comparable to the employer-based version, with pretax or Roth IRA deferrals up to \$18,000 per year (\$24,000 if you are 50 or older). Salary deferral contributions made to another employer plan (other than a 457) must be taken into account when figuring this limit. You can also make employer profit-sharing contributions of up to 25% of your income, with an overall limit of \$54,000 (\$60,000 if you are 50 or older). Profit-sharing contributions are generally not impacted by contributions made to other plans.



A SEP (Simplified Employee Pension) IRA is often the easiest, least costly plan for full-time entrepreneurs. It follows the same investment, distribution and rollover rules as traditional IRAs. You can contribute 25% of your compensation — not to exceed \$54,000 — into a SEP IRA. The SEP IRA offers an additional benefit for those who are still employed by another company while running their own business: You can contribute to a SEP even if you are maxing out retirement contributions with your employer. The contribution limit to the SEP IRA is generally considered separate from your employer's plan.



55% of adult Social Security beneficiaries in 2015 were women



For **61%** of aged beneficiaries, at least half their income from Social Security in 2014