Age Milestones for Financial Planning

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Many retirement accounts have rules about contributions and withdrawals based on age. Tax codes can also be linked to age requirements. Therefore, age milestones can be helpful in financial planning.

Age	Planning Consideration
18	Earliest age of majority for custodial accounts in some states, meaning an account should be reregistered solely in the name of a (former) minor
21	Latest age of majority for custodial accounts
24	Age when the "kiddie tax" does not apply anymore on certain dependents' unearned income
26	Maximum age when adult children may stay on their parent's health insurance plan
30	Coverdell Education Savings Accounts must be distributed
50	Eligible for catch-up contributions for retirement accounts ($1,000 for IRA, $3,000 for SIMPLE IRA, $6,500 for 401(k))
55	Participants who are separating from service can withdraw from a qualified retirement plan without incurring a 10% early withdrawal penalty
59 1/2	Distributions from retirement plans and IRAs are penalty-free
60	Surviving spouses are eligible to receive (reduced) Social Security survivor benefits
60-63	Beginning in 2025, additional catch-up contribution allowed within a defined contribution plan equal to 150% of the catch-up in place for that year for those age 50 and older
62	Eligible to receive (reduced) Social Security retirement benefits for workers and spouses. Spousal benefits are available only when the other spouse claims benefits. For divorced individuals, spousal benefits are available once the ex-spouse turns 62 if other criteria are met
63	Income reported on your tax return is used as a basis to determine Medicare part B and D premiums, known as the two-year lookback. Higher premiums apply at higher income levels
65	Eligibility age for Medicare. Also, taxpayers receive an increase in the standard deduction ($1,750 for those filing a single tax return, $1,400 per spouse for those filing married filing jointly)
67	Full retirement age for those born in 1960 or later to receive Social Security benefits without a reduction
70	Latest age you can delay claiming Social Security retirement benefits and benefit from the delayed credits (does not apply to spousal or survivor benefits)
70 1/2	Eligible to use the qualified charitable distribution (QCD) to distribute up to $100,000 (indexed for inflation starting in 2024) tax free from an IRA
73	Required minimum distributions (RMDs) from retirement accounts begin (exceptions apply where the individual is still working, participating in the plan, and meet certain criteria)
75	RMD age for those born in 1960 or later

2635 Foxpointe Drive, Suite B, Columbus, IN 47203
812-378-0730 • www.formanis.com

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