



# Your Retirement

## “News You Can Use”

Retire Village

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## The Holidays Are Over. What's Next?

The holiday guests are long gone, the grandkids are back in school, and many of us are getting back to work after a long holiday of socializing and celebration.



Don't let the winter blahs creep up, settle in, and hang around until spring. Some things that may help you recover from your Holiday festivities:

**Never underestimate the power of coffee.** A huge study followed 51,000 American women for 24 years and found, among many other things, that as coffee consumption went up, risk of depression went down. Findings are too preliminary to recommend caffeine as a cure, but in the dead of winter, the boost from a cup of coffee will get you started.<sup>1</sup>

**Light up your life.** Sitting next to a light box for 30 minutes per day can be as

effective as antidepressant medication, but you may be able to get away with swapping out full spectrum bulbs in lights you use most of the day. Open blinds and curtains when the sun is out, and sit close to the window.

**Look ahead.** Schedule something fun for yourself that you look forward to. It could be catching up with a friend, ordering and starting seeds for your garden, or signing up for a class - just make sure that whatever you are planning is exciting and not an obligation.<sup>3</sup>



1 - <http://www.quickanddirtytips.com/health-fitness/mental-health/how-to-beat-winter-blues-and-seasonal-affective-disorder-sad>

2 - <http://time.com/3692785/beat-winter-blues/>

3 - <http://www.wikihow.com/Cope-With-Post-Holiday-Syndrome>

## How Long to Keep Your Records: A Quick Guide

Keep your tax returns indefinitely.

Shred detailed records for your tax returns, including 1099-R forms reporting distributions, and copies of Form 5498 which details your annual contributions to an IRA after seven years.



If you buy an asset, keep the purchase receipt and any appreciation or dividend records until seven years after it is sold.

Keep a copy of your current IRA beneficiary form with you indefinitely with your other important estate documents. As long as your account is active, keep copies with your adviser, the custodian, and the beneficiary as well.



<http://www.marketwatch.com/story/year-end-tax-tip-what-files-to-keep-what-to-throw-away-2015-12-23>

## Perfectionism: Are You a Victim Of This Mental Trap?

Mental traps are assumptions accepted without challenge, and striving for the impossible goal of perfection is one of them. Do you have perfectionist tendencies? If so, be warned: blind pursuit of your lofty goals may benefit you, but there are also perils.

In fact, studies show the personality trait of perfectionism is linked to poor physical health and an increased risk of death.<sup>1</sup>

**Perfectionists tend to think and act in extremes.** For example, "I had one cookie and screwed up my diet...I might as well eat them all." They may have trouble completing projects because they continue to revise their work endlessly before showing it to anyone. They use the word "should" a lot, and have certain "rules" they, and others, should follow.<sup>2</sup>

Perfectionist entrepreneurs cannot delegate and their need to control everything can hobble their business growth.<sup>3</sup>

**Fight perfectionism:** look for ABSOLUTE beliefs in your life and question them. "My house must always be perfect!" Would your life end if an unexpected guest saw a pile of laundry on the kitchen table waiting to be folded? Unlikely! In fact, people may

relate to you better because your laundry sometimes piles up. Congratulations, you are human.



When you catch yourself thinking or saying "should" - remind yourself that you can't change the past. Even if you could change your choices, that doesn't guarantee you would have found the outcome you wanted in the first place. Life tends to not go as planned.

**All-or-nothing, impossibly high standards create unhappiness even in the face of success.** Anxiety over making mistakes may stop you from trying to succeed at all.<sup>4</sup> Remind yourself and your loved ones that nobody is perfect and you don't have to be either.

1 - <http://www.livescience.com/6724-dark-side-perfectionism-revealed.html>

2 - <https://www.psychologytoday.com/blog/better-perfect/201611/9-signs-you-might-be-perfectionist>

3 - <http://www.inc.com/young-entrepreneur-council/5-common-mental-traps-that-slow-you-down-and-cost-you-money.html>

4 - <http://nymag.com/scienceofus/2014/09/alarming-new-research-on-perfectionism.html>

## Don't Forget To Review These Items When You Meet With Your Adviser.

As you're gearing up to meet with your advisers this year, consider including a basic spending analysis.



Add up all of your bank account outflows for the year, identifying amounts that went toward savings and investments. Then, add in any credit card or line-of-credit spending that you didn't repay over the course of the year.

At your meeting, be sure to review any of the following items which may apply to you, depending on your age and financial situation:

- Projections for required minimum distributions (RMDs), particularly if you're nearing retirement
- Strategies for making the most of your retirement accounts
- Considerations for any health savings accounts (HSAs)
- Spending plan evaluation
- Charitable giving opportunities

## How Tax, Social Security, and Retirement Benefits Will Change in 2017

Along with proposed tax cuts by the Trump administration, here are some changes to benefit rules and Social Security adjustments to consider as you plan for 2017:

President-elect Donald Trump's proposed tax plan includes both a decrease in the highest marginal income tax bracket and a cap on itemized deductions. If passed, high-income individuals and couples could receive a significantly smaller tax benefit for charitable contributions in future years.<sup>1</sup>

A cut in the capital-gains tax, which taxes investment income such as stocks, bonds, and real estate, could come as soon as spring 2017. When the maximum capital gains rate was cut in 1981, 1997, and 2003, Congress pushed the discount into effect in May or June, to discourage Americans from holding onto their assets until the law takes effect, stalling the market.<sup>2</sup>

Social Security beneficiaries will receive a slight increase in their Social Security checks in 2017 - on average, \$5 per month. Social Security benefits are adjusted each year to keep pace with inflation, measured by the Consumer Price Index. Cost-of-living adjustments have been zero in 2010,

2011 and 2016 due to low inflation.<sup>3</sup>



Married couples turning 62 this year can no longer claim both a spousal payment and an individual payment at different times. They will automatically receive the higher of the two benefit options.

Earnings subject to Social Security taxes will increase from \$118,500 in 2016 to \$127,200 in 2017, which is expected to result in 12 million workers paying more into the Social Security system.<sup>4</sup>

### Other Changes to Expect:

- Higher earnings allowed for Roth IRAs.
- The income limit for the saver's credit will increase by \$250 in 2017.<sup>4</sup>

1 - <http://onebiteblog.com/7-financial-resolutions-for-2017/>

2 - <http://www.csmonitor.com/Business/new-economy/2016/1231/The-economy-in-2017-The-trend-is-up-but-not-for-everyone>

3 - <http://money.usnews.com/money/blogs/planning-to-retire/articles/2016-10-18/6-social-security-changes-coming-in-2017>

4 - <http://money.usnews.com/money/retirement/iras/articles/2016-11-07/how-retirement-benefits-will-change-in-2017>



## It Happened In ...



### January 5<sup>th</sup> 1925 –

Nellie Tayloe Ross of Wyoming became the first female governor inaugurated in the U.S.

### January 10<sup>th</sup> 1776 –

Common Sense, a fifty page pamphlet by Thomas Paine, was published.

### January 15<sup>th</sup> 1929 –

African American civil rights leader Martin Luther King was born in Atlanta, Georgia. He received the Nobel Peace Prize in 1964 for his nonviolent methods to achieve equality.

### January 25<sup>th</sup> 1959 –

An American Airlines Boeing 707 made the first scheduled transcontinental U.S. flight, traveling from California to New York.

### January 28<sup>th</sup> 1986 –

The U.S. Space Shuttle Challenger exploded 74 seconds into its flight, killing seven persons, including Christa McAuliffe, a teacher who was to be the first ordinary citizen in space.

[www.historyplace.com/specials/calendar/january.htm](http://www.historyplace.com/specials/calendar/january.htm)

## Baby, It's Cold Outside! Tips on Helping You Enjoy This Winter

Winter is back, and it's looking like 2017 will be a cold one. Rise above common winter hazards like snow storms, cold dry air, and sickness with these tips:

**Use moisture and heat to keep your sinuses in top shape.** In cases of infection, heat and moisture thins mucus and reduces sinus pressure.<sup>1</sup>

Apply a warm, moist washcloth to your face, eyes and nose several times a day to soften mucus and warm the air inside your sinuses.

Use a saltwater nasal wash. Studies show that a mixture of concentrated salt water and baking soda (bicarbonate) helps the nose work better and move mucus out faster.

Drink lots of fluids – hot tea and broths may work best as they will warm and hydrate your sinuses. Avoid alcohol and caffeine, which can have a drying effect.

Inhale steam to moisten and soften mucus. Do this in the shower, or create your own mini-sauna by draping a towel over your head as you lean over a basin full of hot water.

Keep your ears and nose covered in dry or cold air. Wear a face mask indoors. Use a ski mask outside or a scarf that covers your ears and nose.

Apply moisturizing gel inside your nostrils to relieve dry nasal passages – try ones with eucalyptus, menthol or

essential oils like peppermint or clove.

**Be prepared for storms.** We can expect a few big snows every year, so be prepared to lose power or get snowed in entirely. Put together an emergency kit for your home and your car. Keep all vehicles well fueled and emergency lights and communication devices well charged. Keep your alternative heating source like fireplace or pellet stove maintained and fueled.<sup>2</sup>



**Winterize.** Make sure your car is in good shape and you have plenty of emergency supplies in your trunk in case things go awry. Run ceiling fans clockwise to trap heat in your house and hang insulated curtains to trap warm air inside.

Maintain your physical health with sleep, diet, and exercise. Take advantage of sunny days – in June there are 15 hours of sunlight, but in December there are only 9. Make sure you get some when the opportunity presents itself.<sup>3</sup>

1 - <http://health.usnews.com/health-news/patient-advice/articles/2016-02-04/smart-sinus-care-from-prevention-to-treatment>

2 - <http://lifelifehacker.com/top-10-ways-to-survive-the-cold-harsh-winter-1498172684>

3 - <http://lifelifehacker.com/5958624/winterize-your-home-and-yourself-this-weekend>