

This contains 5 sheets to provide possible retirement distribution options needed for retirement.

SEPP: This determines 2 of the 3 possible penalty free withdrawals allowed by the IRS. The **Amortization** method determines a fixed distribution amount based on your current age. The **Life Expectancy** method is a second method requiring a recalculation yearly. This method starts out with the smallest distribution and changes yearly based on remaining balance and new age factored in. A help screen is provided.

Amortize: This is a spreadsheet used with the numbers generated with SEPP (above) using the *amortization method*. Enter the lump sum, age and annual SEPP calculated, then input your expected inflation rate, tax rate at withdrawal time and rate of return on investment balance. This estimates your yearly balance based on those figures.

Life Expectancy: This is a spreadsheet that will roughly calculate in advance what can be expected if you take the Life Expectancy option. It allows for penalized withdrawals to be factored in, if you want.

Retirement: This calculates where you stand in your retirement planning. It calculates what you have, will have and will need based on what you think you need to live on over and above other sources of income like Social Security.

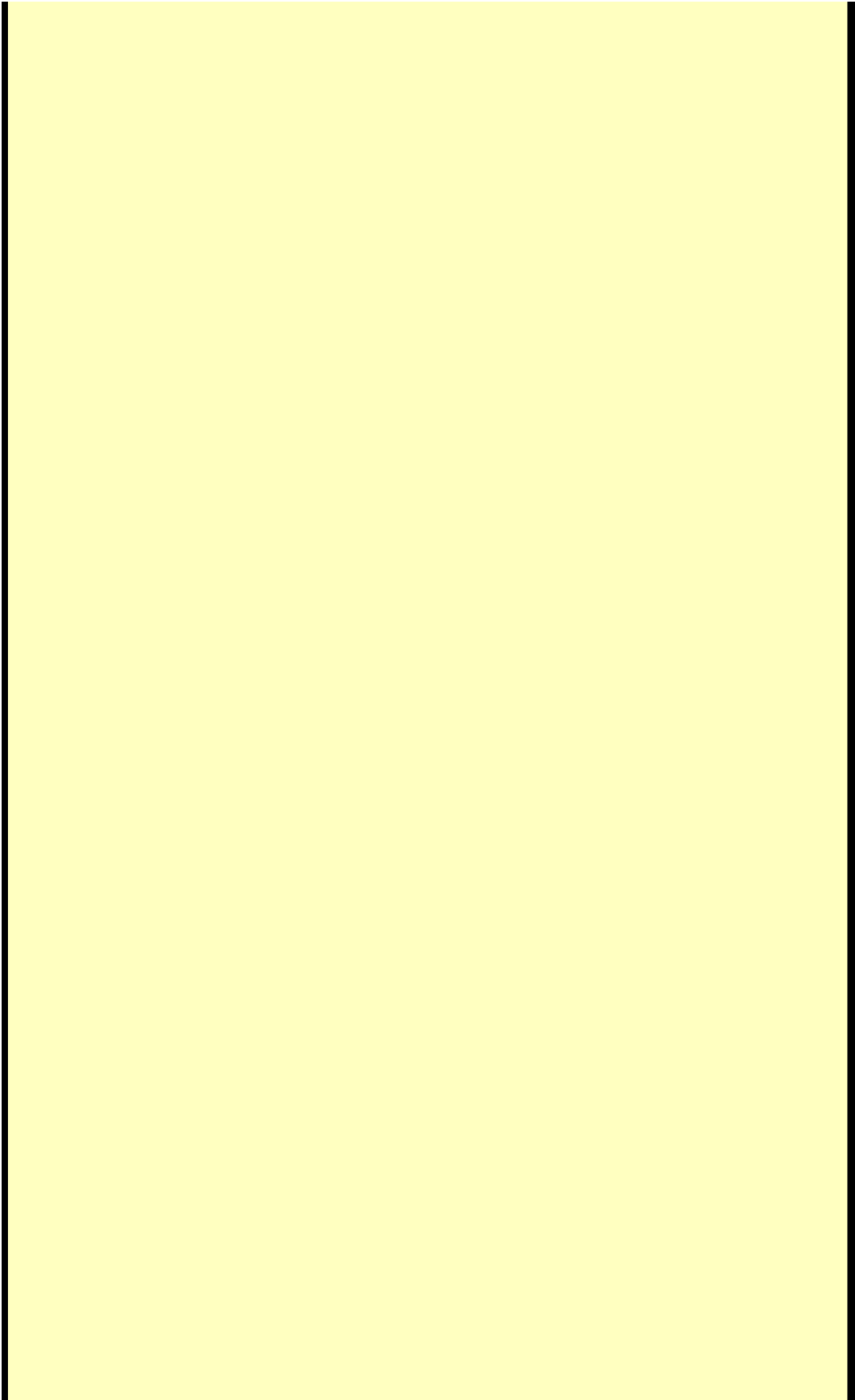
Allocate: A "guideline" for determining asset allocations.

Instructions

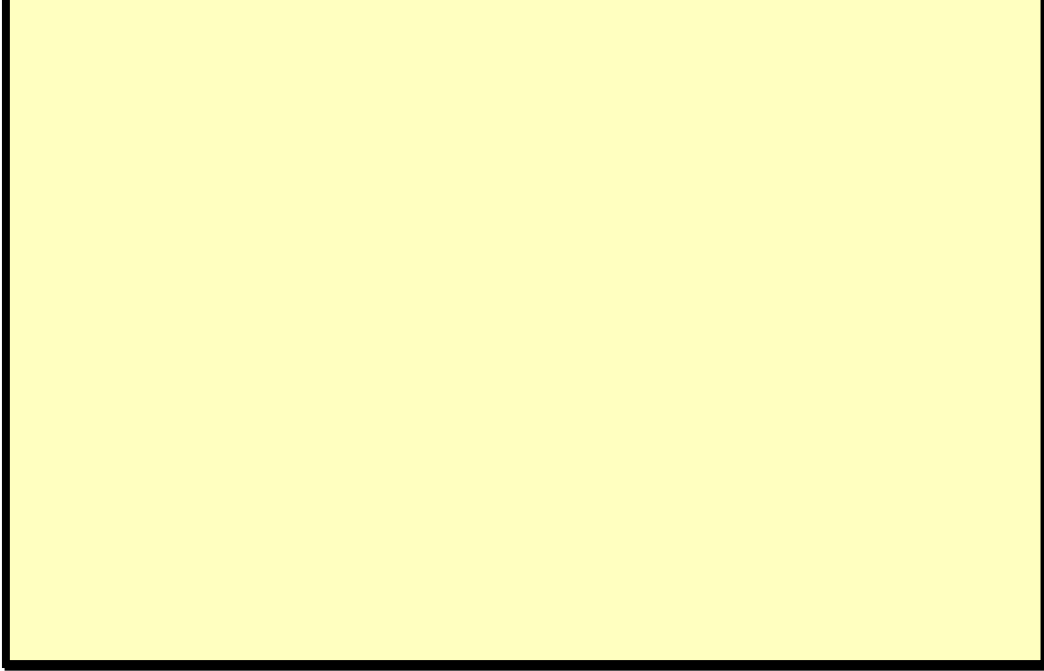
This file contains 5 separate sheets to help in the calculation and determination of retirement dollars required to survive in your retirement years. It is based primarily on receiving or accumulating at least a large portion of your retirement dollars in a lump sum. Whether this is received through many years of building up and adding to a 401K or 403B type retirement, a defined pension given with an optional lump sum or a IRA built up over many years. It could be a combination of all of these. Other possibilities also exist.

As corporate America downsizes, it has become a common practice (for those fortunate) for companies to offer early retirement packages for extra incentive to get you off their payroll. Some are too good to turn down regardless of your age and financial situation. This program should help for those nearing retirement or many years away to help determine just where you stand and what you may have to do to be able to retire.

For those who have build up a substantial sum in a tax deferred account but have not reached the traditional retirement age of 62 or 65 years of age (but would like to retire), the government offers an option to access these funds by also avoiding the 10% or more in penalties usually associated with such withdrawals. They call these plans Substantially Equal Periodic Payments or SEPP's. Basically they say you can access these tax deferred lump sums if you withdraw them in equal payments based on your life expectancy for at least 5 years or until you are 59 1/2 years old, whichever is longer. Should you start this process and before you have fulfilled these requirements you decide to stop, a 10% penalty is due retro



Detailed Instructions



Lump Sum >

Current Age >

48

Interest Rate >

8.5

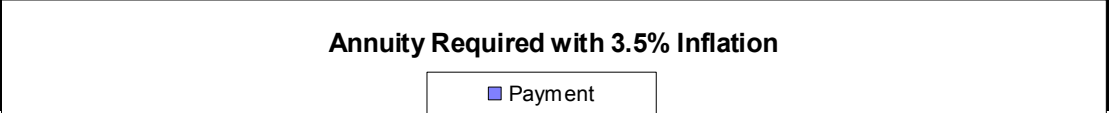
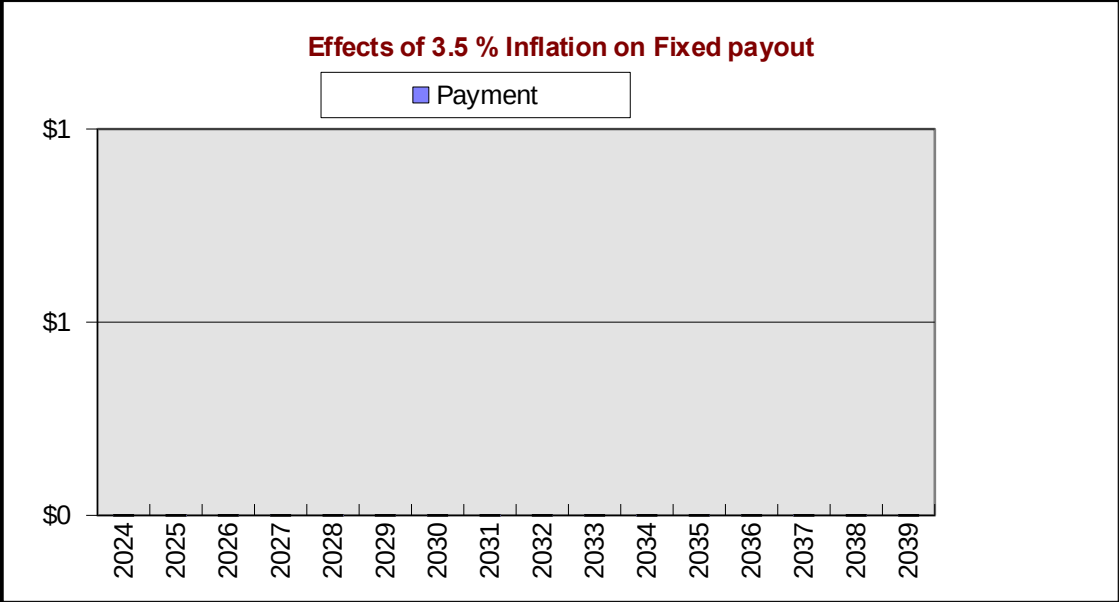
Annual SEPP>

\$0

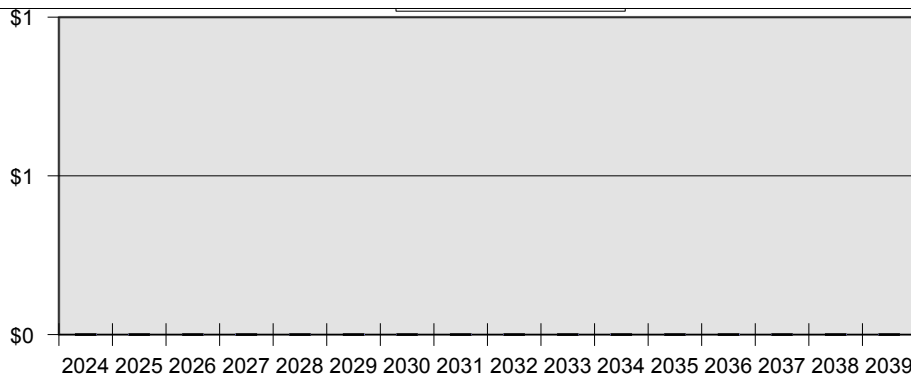
Monthly SEPP>

\$0

Amortization Method



SEPP



SEPP

| | | | | | | | | |
|-----|------|------|---------------------|---------|------|------|------|------|
| 8.5 | 41.5 | 34.9 | Amortization Method | Payment | \$0 | \$0 | \$0 | \$0 |
| | 40.6 | 34.9 | | \$0 | | | | |
| | 39.6 | 34.9 | | \$0.00 | 2024 | 2025 | 2026 | 2027 |
| | 38.7 | 34.9 | | Payment | \$0 | \$0 | \$0 | \$0 |
| | 37.7 | 34.9 | | | | | | |
| | 36.8 | 34.9 | | | | | | |
| | 35.9 | 34.9 | | | | | | |
| | 34.9 | 34.9 | | | | | | |
| | 34 | 0 | | | | | | |
| | 33.1 | 0 | | | | | | |
| | 32.2 | 0 | | | | | | |
| | 31.3 | 0 | | | | | | |
| | 30.4 | 0 | | | | | | |
| | 29.5 | 0 | | | | | | |
| | 28.6 | 0 | | | | | | |
| | 27.7 | 0 | | | | | | |
| | 26.8 | 0 | | | | | | |
| | 25.9 | 0 | | | | | | |
| | 25 | 0 | | | | | | |
| | 24.2 | 0 | | | | | | |
| | 23.3 | 0 | | | | | | |
| | 22.5 | 0 | | | | | | |
| | 21.6 | 0 | | | | | | |
| | 20.8 | 0 | | | | | | |
| | 20 | 0 | | | | | | |

SEPP

[illegible]

SEPP

| 2041 | 2042 | 2043 | 2044 | 2045 |
|------|------|------|------|------|
| \$0 | \$0 | \$0 | \$0 | \$0 |
| 2041 | 2042 | 2043 | 2044 | 2045 |
| \$0 | \$0 | \$0 | \$0 | \$0 |

Amortize

| | | | | | |
|----------------------|-----------|------------|------------|-----------|---------------------------|
| Starting \$ | \$250,000 | | | | |
| Current Age | 48 | | | | |
| Inflation Rate | 3.50 | | | | |
| Gross Wanted | \$22,547 | | | | |
| Int. Rate on Balance | 7.00 | | | | |
| Total Tax Rate | 12.0 | | | | |
| Starting \$ | AGE | Withdrawal | Taxes | Take Home | Withdrawal with Inflation |
| | | | | | |
| | | | | | |
| | | | | | |
| \$250,000 | 48 | \$22,547 | \$2,705.64 | \$19,841 | \$22,547 |
| \$244,953 | 49 | \$22,547 | \$2,705.64 | \$19,841 | \$23,336 |
| \$239,553 | 50 | \$22,547 | \$2,705.64 | \$19,841 | \$24,153 |
| \$233,774 | 51 | \$22,547 | \$2,705.64 | \$19,841 | \$24,998 |
| \$227,592 | 52 | \$22,547 | \$2,705.64 | \$19,841 | \$25,873 |
| \$220,976 | 53 | \$22,547 | \$2,705.64 | \$19,841 | \$26,779 |
| \$213,897 | 54 | \$22,547 | \$2,705.64 | \$19,841 | \$27,716 |
| \$206,323 | 55 | \$22,547 | \$2,705.64 | \$19,841 | \$28,686 |
| \$198,219 | 56 | \$22,547 | \$2,705.64 | \$19,841 | \$29,690 |
| \$189,547 | 57 | \$22,547 | \$2,705.64 | \$19,841 | \$30,729 |
| \$180,268 | 58 | \$22,547 | \$2,705.64 | \$19,841 | \$31,805 |
| \$170,340 | 59 | \$22,547 | \$2,705.64 | \$19,841 | \$32,918 |
| \$159,717 | 60 | \$22,547 | \$2,705.64 | \$19,841 | \$34,070 |
| \$148,350 | 61 | \$22,547 | \$2,705.64 | \$19,841 | \$35,263 |
| \$136,188 | 62 | \$22,547 | \$2,705.64 | \$19,841 | \$36,497 |
| \$123,174 | 63 | \$22,547 | \$2,705.64 | \$19,841 | \$37,774 |
| \$109,249 | 64 | \$22,547 | \$2,705.64 | \$19,841 | \$39,096 |
| \$94,349 | 65 | \$22,547 | \$2,705.64 | \$19,841 | \$40,465 |
| \$78,407 | 66 | \$22,547 | \$2,705.64 | \$19,841 | \$41,881 |
| \$61,348 | 67 | \$22,547 | \$2,705.64 | \$19,841 | \$43,347 |
| \$43,096 | 68 | \$22,547 | \$2,705.64 | \$19,841 | \$44,864 |
| \$23,565 | 69 | \$22,547 | \$2,705.64 | \$19,841 | \$46,434 |
| \$2,668 | 70 | \$22,547 | \$2,705.64 | \$19,841 | \$48,059 |
| \$0 | 71 | \$22,547 | \$2,705.64 | \$19,841 | \$49,741 |
| \$0 | 72 | \$22,547 | \$2,705.64 | \$19,841 | \$51,482 |
| \$0 | 73 | \$22,547 | \$2,705.64 | \$19,841 | \$53,284 |

Amortize

| |
|-----------------------------|
| |
| |
| |
| |
| |
| |
| |
| Balance Year End |
| |
| |
| |
| \$244,953.00 |
| \$239,552.71 |
| \$233,774.40 |
| \$227,591.61 |
| \$220,976.02 |
| \$213,897.34 |
| \$206,323.16 |
| \$198,218.78 |
| \$189,547.09 |
| \$180,268.39 |
| \$170,340.17 |
| \$159,716.99 |
| \$148,350.18 |
| \$136,187.69 |
| \$123,173.83 |
| \$109,248.99 |
| \$94,349.42 |
| \$78,406.88 |
| \$61,348.36 |
| \$43,095.75 |
| \$23,565.45 |
| \$2,668.03 |
| \$0.00 |
| \$0.00 |
| \$0.00 |
| \$0.00 |

Life Expectancy

| | |
|----------------------|-----------|
| Starting \$ | \$250,000 |
| Current Age | 46 |
| Inflation Rate | 3.50 |
| Gross Wanted | \$10,000 |
| Int. Rate on Balance | 9.00 |
| Total Tax Rate | 13.0 |

Enter data in yellow only. This will calculate the **Life Expect** for one of three options allowed by the IRS. It also allows a penalized withdrawals to be included. As long as you are in years, you may stop it after age 59.5. Therefore disregard c or 5 years, whichever is later.

| Starting \$ | AGE | Life Expentancy Withdrawal | Penalized Withdrawal | Amount Wanted | Take Home |
|-------------|-----|----------------------------|----------------------|---------------|-----------|
| | | | | | |
| | | | | | |
| \$250,000 | 46 | \$6,793 | \$3,207 | \$10,000 | \$8,379 |
| \$261,600 | 47 | \$7,287 | \$3,063 | \$10,350 | \$8,698 |
| \$273,863 | 48 | \$7,847 | \$2,865 | \$10,712 | \$9,033 |
| \$286,834 | 49 | \$8,436 | \$2,651 | \$11,087 | \$9,381 |
| \$300,564 | 50 | \$9,080 | \$2,395 | \$11,475 | \$9,744 |
| \$315,107 | 51 | \$9,786 | \$2,091 | \$11,877 | \$10,124 |
| \$330,520 | 52 | \$10,560 | \$1,733 | \$12,293 | \$10,521 |
| \$346,868 | 53 | \$11,410 | \$1,313 | \$12,723 | \$10,938 |
| \$364,219 | 54 | \$12,346 | \$822 | \$13,168 | \$11,374 |
| \$382,645 | 55 | \$13,379 | \$250 | \$13,629 | \$11,832 |
| \$402,228 | 56 | \$14,521 | \$0 | \$14,106 | \$12,633 |
| \$422,600 | 57 | \$15,769 | \$0 | \$14,600 | \$13,719 |
| \$443,446 | 58 | \$17,121 | \$0 | \$15,111 | \$14,896 |
| \$464,694 | 59 | \$18,588 | \$0 | \$15,640 | \$16,171 |
| \$486,256 | 60 | \$20,093 | \$0 | \$16,187 | \$17,481 |
| \$508,117 | 61 | \$21,808 | \$0 | \$16,753 | \$18,973 |
| \$530,078 | 62 | \$23,559 | \$0 | \$17,340 | \$20,496 |
| \$552,105 | 63 | \$25,560 | \$0 | \$17,947 | \$22,238 |
| \$573,934 | 64 | \$27,593 | \$0 | \$18,575 | \$24,006 |
| \$595,512 | 65 | \$28,630 | \$0 | \$19,225 | \$24,908 |
| \$617,901 | 66 | \$29,707 | \$0 | \$19,898 | \$25,845 |
| \$641,131 | 67 | \$30,824 | \$0 | \$20,594 | \$26,817 |
| \$665,235 | 68 | \$31,982 | \$0 | \$21,315 | \$27,825 |
| \$690,246 | 69 | \$33,185 | \$0 | \$22,061 | \$28,871 |
| \$716,196 | 70 | \$34,433 | \$0 | \$22,833 | \$29,956 |
| \$743,123 | 71 | \$35,727 | \$0 | \$23,632 | \$31,083 |
| \$771,061 | 72 | | \$0 | | |
| \$0 | 73 | | | | |
| \$0 | 74 | | | | |
| | 81 | | | | |
| | 70 | | | | |
| | 71 | | | | |
| | 72 | | | | |

Life Expectancy

| | | | | | |
|--|----|--|--|--|--|
| | 73 | | | | |
| | | | | | |
| | | | | | |

tancy Method
 additional
 this plan for 5
 data after age 60

| Balance Year End |
|---------------------|
| |
| |
| \$261,600.00 |
| \$273,862.50 |
| \$286,833.77 |
| \$300,563.79 |
| \$315,106.53 |
| \$330,520.33 |
| \$346,868.28 |
| \$364,218.58 |
| \$382,645.04 |
| \$402,227.51 |
| \$422,600.26 |
| \$443,446.44 |
| \$464,694.20 |
| \$486,256.01 |
| \$508,117.44 |
| \$530,077.70 |
| \$552,105.38 |
| \$573,933.99 |
| \$595,511.70 |
| \$617,900.65 |
| \$641,131.34 |
| \$665,235.41 |
| \$690,245.70 |
| \$716,196.29 |
| \$743,122.51 |
| \$771,061.06 |
| |
| |
| |
| |
| |
| |
| |

Life Expectancy

| |
|--|
| |
| |
| |

Retirement

| | | | |
|--|---------------------|------------------|--|
| Desired Yearly Income (Retirement money not covered by other sources:,i.e.-SS,Pension,annuity,etc.) | \$25,000 | | |
| Rate of Return on Savings During Retirement | 6.000 | | |
| Years Expected to be in Retirement | 25.0 | Section 1 | |
| Amount Needed by Retirement (in todays dollars) | \$319,583.90 | | |
| Average Inflation Rate anticipated | 3.500 | | |
| Inflation adjusted amount required | \$472,124.65 | | |
| | | | |
| Current Savings | \$100,000 | | |
| Expected Rate of Return until retirement | 10.000 | | |
| Years until Retirement | 15.0 | Section 2 | |
| Calculated Savings at Retirement | \$417,724.82 | | |
| | | | |
| Money required to save until retirement | \$54,399.83 | | |
| Rate of return on new investments | 7.000 | | |
| Yearly Savings Required | \$2,164.82 | Section 3 | |
| Monthly Savings Required | \$180.40 | | |
| <p>Enter data in <u>yellow</u> only. This will help determine where you stand in your retirement planning.</p> <p>Section 1: This determines, based on todays dollars, how much money you will need to generate that yearly income. It includes the inflation adjusted amount required.</p> <p>Section 2: This calculates what you currently have saved toward retirement and what that will be at retirement time.</p> <p>Section 3: This calculates what you need to save between now and retirement to meet the goals of section one.</p> | | | |

Allocate

AGE
40-60

Non-Retirement Asset
Allocation

Net Worth
Under \$200K

Annual Income
Under \$100K

% STOCKS 54

Risk Tolerance
Medium

% BONDS 26

Stock Market Optimism
Medium

% CASH 20

Interest Rate Optimism
Medium

Allocation

