

MFS ADVISOR EDGE®

# Road Map to Retirement

Top IRA planning mistakes  
to avoid



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**The investments you choose should correspond to your financial needs, goals, and risk tolerance. For assistance in determining your financial situation, consult an investment professional.**

**Keep in mind that there are advantages and disadvantages to an IRA rollover depending on the investment options, services, fees and expenses, withdrawal options, required minimum distributions, tax treatment and your unique financial needs and retirement goals. Your advisor can assist in determining if a rollover is appropriate for you.**



# Top IRA planning mistakes



## 1 Beneficiary Mistakes



- Missing or blank forms
- Outdated beneficiaries
- Inconsistent with your estate plan

## 2 Not Planning for Taxes on an Inherited IRA



BENEFICIARY OPTIONS



TAXES



FLEXIBILITY

### 3 Spousal Rollovers

Consider not rolling over IRA assets if a surviving spouse is

- Older than 73 and the deceased spouse was not
- Under age 59½ and needs income
- Plans to disclaim IRA assets

## 4 Not Using a Direct Transfer



- 60 day deadline
- Once over 12 months
- Not available for non-spouse beneficiaries



## 5 Net Unrealized Appreciation



Company stock

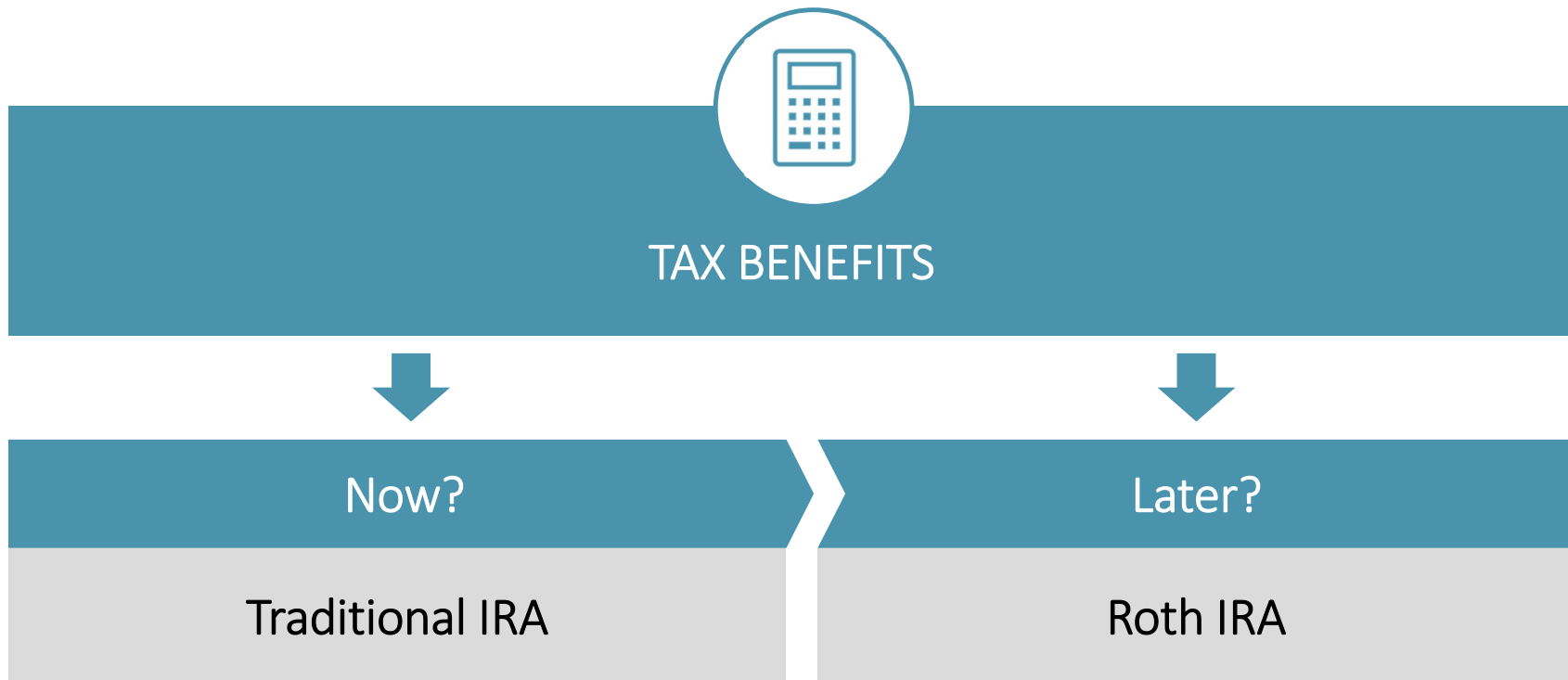


Ordinary income  
versus capital gains



Mistakes

## 6 Not Taking Advantage of a Roth IRA



## 7 Not Maximizing Contribution Limits



**\$7,000**  
per individual for 2024<sup>1</sup>  
(\$6,500 per individual for 2023)



Catch-up contributions  
**\$1,000** per individual  
age 50 or older

<sup>1</sup> irs.gov

## 8 Spousal Contributions

### EARNED INCOME REQUIREMENT



## 9 Taking the Wrong Required Minimum Distributions



### Tips to avoid a penalty

- Asset consolidation
- Recalculation upon reaching age 73
- 401(k) versus IRAs

10 Not Considering Qualified Charitable Distributions



## 11 Paying Unnecessary Penalties



Early distribution penalty



Substantially equal periodic payments (SEPP)



Warning

## Stay on Course on the Road to Retirement





## Action Steps



STEP 1

Talk to your investment professional or tax advisor today

STEP 2

Put your retirement savings plan into action

STEP 3

Make the most of your IRA

Thank you