3 Common Retirement Mistakes to Avoid

BY The Sagicor Advisor Posted January 10, 2019 In retirement

The hard part of retirement is knowing exactly how much money you need for the life your future you will want to live so many years in the future. Here are 3 common retirement savings mistakes you should avoid.

1. Not Supplementing Your Retirement Savings
You may already have a plan with your employer or you may be counting on the national insurance scheme. But if you can afford to, it's highly recommended you supplement these with your own private retirement plan.

2. Taking A Loan Out of Your Retirement Savings
Borrowing money from your retirement savings can cost you big time in the long run. By the time you pay back what you took out, you would have lost the opportunity for the money to grow from interest.
There may also be withdrawal penalties to taking a loan out of your retirement, so consider all of these before you take a loan from your retirement savings.

3. Changing Jobs and Cashing Out
It's likely that during your career you'll have the opportunity to change jobs a few times. If you're holding employer retirement plans when you leave jobs, and you decide to cash out, you may be liable to pay taxes and will have to start all over with a new plan.

This demonstrates why it's actually beneficial to have a private retirement savings plan like an RRSP – it stays with you no matter where you go

What Your Sagicor Advisor Can Do
We'll talk to you about your financial goals and current income and expenses. Using this information we can recommend you a suitable retirement plan, and tell you how much you will really need in order to have a comfortable retirement.

Remember, the future is freedom. It's also yours to prepare for.

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