

## Retirement Planning Estimator

**Uncomplicate Retirement®** 

	Example	You
	Age 25 Plans to retire in 40 years	Age Plan to retire in years
1. Enter your current annual income.	\$30,000	
2. Multiply line 1 with a percentage between 70 and 100 based on what percentage of your current income you think you'll need during retirement (for example .80). This will be in today's dollars.	\$24,000	
3. Enter the estimated Social Security benefit from Chart A that is closest to your income.	\$13,896	
4. Subtract line 3 from line 2 to determine the amount that you'll need that won't be covered by Social Security.	\$10,104	
5. Multiply line 4 with the inflation factor from Chart B that is closest to the years you will work before retiring.	\$22,329.84	
6. Multiply line 5 by 11.94 (assumes you will retire at 65, spend 15 years in retirement and earn 5% on your retirement contributions with a 2% inflation rate).	\$266,618.29	
7. Enter how much you currently have contributed toward retirement.	\$2,500	
8. Multiply line 7 by the growth factor from Chart C that is closest to the years you will work before retiring to see what your current investment might total at that time.	\$17,600	
9. Subtract line 8 from line 6 to figure out how much additional money you'll need for retirement.	\$249,018.29	
10. Multiply line 9 by the accumulation factor in Chart C that is closest to the number of years until you retire to figure out how much you should invest each year.	\$1,992.15	
11. Divide line 10 by line 1 to see the percentage you should be contributing to your plan.	6.6%	
12. For SIMPLE IRA use only. Subtract the employer match (lesser of 3% or half of line 11) from line 11 to see the percentage you should be contributing.	3.6%	

This is an example only and does not reflect the return on any specific investment.

Chart A		Chart B		Chart C		
Current annual	Estimate of	Years until retirement	Inflation factor	Years until retirement	Growth factor	Accumulation factor
income	annual benefit	5	1.10	5	1.276	.181
\$20,000	\$11,556	10	1.22	10	1.629	.080
\$30,000	\$13,896	15	1.35	15	2.079	.046
\$40,000	\$16,248	20	1.49	20	2.653	.030
\$50,000	\$18,588	25	1.64	25	3.386	.021
\$75,000	\$24,456	30	1.81	30	4.322	.015
This would be the approximate benefit for someone age 68 retiring in 2020. For a more accurate estimate, see your Social Socurity Statement, Source Social Socurity		35	2.00	35	5.516	.011
		40	2.21	40	7.040	.008

more accurate estimate, see your Social Security Statement. Source: Social Security Administration web site Benefit Calculators.

Assumes annual inflation of 2%.

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