

ELDER LAW REVIEW

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Teaching Your Grandchildren about Social Security

One of the greatest gifts you can give a grandchild is the gift of financial literacy. Helping them save money early in life and showing them how to make wise spending decisions goes a long way toward a bright financial future. As they get older, they may want to save for special purchases or their college education. When they get their first job, you can encourage them to begin saving for the future, including their retirement.

Planning for the Future with my Social Security

When you celebrate their graduation from high school, you can also remind them to set up a *my Social Security* account. They need to be age 18 or older, have a U.S. mailing address and a valid email address, and have a Social Security number. And while their retirement is many years away, you can explain the importance of reviewing their earnings record each year since Social Security uses the record of earnings to compute their future benefits. As they start their first major job and begin saving, they'll be able to monitor the growth of the estimates of benefits available to them. You can access my Social Security at www.socialsecurity.gov/myaccount.

Savings for Retirement with myRA

The U.S. Treasury recently introduced a retirement savings account for a simple, safe, and affordable way to save for retirement. It's perfect for people whose employer doesn't offer a savings plan. There are no costs or fees to open and maintain a myRA account. The account won't lose money and is backed by the U.S. Treasury. The individual chooses the amount to save. The account is portable and moves with them from job to job. The account owner can withdraw the money they put in without tax or penalty. You can learn more about myRA at www.myra.gov.

Share How Social Security Works

You can share your knowledge about Social Security with your young savers by explaining how the program works and how it has worked for you. About 96 percent of all Americans are covered by Social Security. Social Security is financed through workers' contributions which are matched by their employers. We use the contributions to pay current benefits. Any unused money goes into a trust fund. Nearly all working people pay Social Security taxes and about 61 million people receive monthly Social Security benefits. About 42 million of those beneficiaries are retirees and their families. Encourage them to watch our Social Security 101 video at www.socialsecurity.gov/multimedia/webinars/social_security_101.html.

Share Your Retirement Stories

Social Security replaces about 40 percent of an average worker's income, but financial planners suggest that most retirees need about 70 percent to live comfortably in retirement. Americans need more than Social Security to achieve that comfortable retirement. They need private pensions, savings, and investments. That means starting to save early and monitoring your Social Security record for accuracy. You can share lessons from your own life about saving and planning for retirement. Remember, the best place anyone of any age can visit for quick, easy information about Social Security is www.socialsecurity.gov.

Your personal stories about how you prepared for retirement and what role Social Security plays can help them see what is needed for a secure financial future. Give them the gift of financial literacy today.

Pluto Legal, PLLC offers prospective clients a NO-cost, NO-obligation consultation. This is a great opportunity for you to become informed of the options available to you for your Estate Planning and Medical Assistance Planning needs.

We have many free, educational workshops coming up, so please give us a call, toll free at 1-866-457-3131 or visit our website www.PlutoLegal.com to see when our attorneys will be presenting a workshop in your area.

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