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# Retirement Planning Insights

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## Up Front

### Tax return season starts soon

It's February and you know what that means...Groundhog Day, more cold weather and another month of COVID-19 vaccine shortages. Just kidding. Well, actually, those things are accurate. But I was instead referring to the start of another tax return filing season. Super exciting, right!

In anticipation of tax return time, Liz Hand, CFP® of Pleasant Wealth LLC in Canton, OH invited me to join her in making a video for her YouTube channel, [Pleasant Financial Conversations](#).

Liz and I discussed the common forms most people will need in doing their returns. And we had some fun virtually exchanging papers through our cameras.

Teaser alert – you'll find out in the video that Liz is a few decades late in returning a VHS tape to Blockbuster! Check out the [video](#) to see what I'm talking about. And if you like Liz's videos (and angelic voice), be sure to subscribe to her channel.



The official start of tax return season this year is a bit later than usual. Typically, you can file your returns as early as late-January. However, this year the IRS will not be accepting any e-filed returns, and will not begin processing paper-filed returns, until February 12.

While the delayed start is a bit annoying, it shouldn't practically have much impact on your ability to file your return when you're ready. While most of your necessary tax forms should already be available by now, other forms typically aren't available until late-February (or later) anyway. One such example is the 1099 from taxable brokerage accounts.

To help you gather all of the forms necessary for your tax return, I created a free downloadable checklist you can use to make sure you get together everything that applies to you. Check out the "Practical Retirement Planning" section below for more info!

-Andy

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## Retirement Planning News

### 20 steps to take when preparing for retirement

On January 6, 2021, U.S. News & World Report published an article titled, “**20 Steps to Take When Preparing for Retirement.**”

In my opinion, some of the author’s recommendations may not help much if you’re already on the cusp of retirement. Instead, some of the things will be much more impactful for persons who are at least 5+ years away from stopping work. However, the article nonetheless provides a lot of food for thought for savers of all ages and stages of life.

The author’s 20 recommended steps are:

1. Shake off financial fear
2. Make a quick start
3. Choose a debt to pay off
4. Contribute to a 401(k) plan
5. Check the employer match for a 401(k) plan
6. Use the auto-escalation feature
7. Find three things to look forward to in retirement
8. Calculate your net worth
9. Grow your net worth
10. Think about working longer
11. Consider retirement side jobs
12. Create a Social Security account
13. Download an app
14. Read a money book
15. Set up a will
16. Research financial advisors
17. Make planning a habit
18. Talk to retirees
19. Start an IRA
20. Follow a financial blog

The list above is just a summary of the items; the article provides more insight into what each recommendation is and why it matters.

While I feel some of the items are kind of filler in an attempt to get to 20 things to talk about, I nonetheless like the article’s overall info and message.

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## Practical Retirement Planning

### Tax return preparation checklist

Whether you do your own taxes or have someone do them for you, it’s important to make sure you have all of your relevant info together before doing your return. Or, at least make sure you have everything in-hand and accounted for before actually filing your return.

While it’s always possible to do an amended return, it’s nonetheless easier to make sure your return is right the first time around.

To help ensure you have everything you need for your tax return, I made a checklist of items to consider and gather. While I can’t guarantee the checklist will cover EVERY single thing that may be applicable to you, it should cover the vast majority of items you need to consider.

You can download the checklist at:

<https://www.tenonfinancial.com/checklist>

Furthermore, I walk through a summary of the checklist in my recent video, **Tax Return Preparation Checklist**. And if you like the video, please be sure to subscribe to the channel and click the video's little thumbs-up "like" button in YouTube, thanks!



As you'll see in the video, a tax return is much more than just reporting your wages, Social Security, pensions, dividends & interest and investment account activity.

For example, many people are unaware that unemployment benefits are taxable income. Considering how many folks received unemployment during 2020 as a result of the pandemic, I suspect there will be a lot of people who will be in for an unwelcomed surprise when doing their taxes this year.

Furthermore, specific to 2020 are the stimulus payments many people received. While those payments are thankfully NOT taxable income, they still need to be reported on tax returns nonetheless.

Though not necessarily fun or glamorous, preparing your tax returns accurately and filing them on time is extremely important. Hopefully the checklist will help make the process a bit easier!

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