



## FEMALE BREADWINNERS FACE INCREASING RETIREMENT-PLANNING CHALLENGES

Would your female clients appreciate financial-planning advice that shows you understand their specific gender-based challenges? A [study](#) by the Center for American Progress shows that almost two-thirds of working mothers are breadwinners for their families, with more than 40% the primary breadwinner.

### Women Are More Likely to Encounter Longevity Risk

The benefits of saving and investing early are paramount to all retirement investors. However, the risks of longevity fall more heavily on women who tend to outlive men.

By starting early and remaining consistent, women can potentially achieve higher savings to last throughout those extra years. Many will seek multiple, predictable income sources. These might include Social Security benefits, a pension, investments, rental real estate, employment, and other income.

### A Social Security Claiming Strategy

Social Security benefits may be the only source of predictable retirement income that is also adjusted for inflation. Making an informed choice regarding a claiming strategy is of vital importance. It starts with making sure your client understands what benefit(s) she may be entitled to. Secondly, appropriately timing the benefit will have a significant impact on her total lifetime income.

Some recipients may be entitled to a spousal or survivor benefit in addition to their own benefit. Basing a claiming strategy around getting the most benefit dollars will help mitigate some of the inflation and longevity risk in retirement.

### Take Advantage of Savings Opportunities

Contributing to and maximizing workplace retirement plans is a great first step, especially if the employer offers a match; no one should pass up free money. In 2024, student loan payments can be used to calculate the employer match. Many professionals have student debt early in their careers. The ability to contribute to a Roth or traditional IRA will impact the ability to support oneself in retirement. Starting early and remaining consistent are factors that will contribute to the ultimate size of the retirement account. Additionally, using various protection features can allow investors to stay committed to their long-term savings goals while potentially limiting interim losses delivered by the market.

Some female professionals may have the option of making a deferred-compensation arrangement through their employers. This can help manage their current tax liabilities, as well as provide a valuable source of retirement income. Knowledge of how these programs work and rules of participation, along with potential pitfalls, should be forefront on these investors' minds—and if not, that's where you come in. Additionally, if these clients are not living off their investment income, they may benefit from recommendations on tax management and how to control the timing of taxable distributions.

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It's important to realize that different families have different priorities, and that successful women may have different concerns from some of your male clients. Finding solutions for longevity risk and financial security will be paramount to their concerns.

### **Actions You Can Take Right Now**

- Identify female clients who are participating in deferred-compensation arrangements.
- Review your clients' portfolios for additional tax-efficiency opportunities.
- Consider starting the "secure retirement income" conversation.

### **Additional Resources and Links**

[How to Save on Charitable Giving during Retirement](#)

[Retirement Planning for Women](#)

[Tax-Deferred Annuities: Three Tips and a Trap](#)

For more information about retirement planning,  
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