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As older Americans approach retirement, many may be realizing their financial planning isn't what it should have been.

That could mean they need to postpone retirement – or abandon the idea altogether.

“Most people don't spend much time even thinking about retirement,” says Stephen Ng, author of “10 Financial Mistakes You Should Avoid: Strategies Designed to Help Keep Your Money Safe and Growing.” (www.stephengfg.com).

“They see it as a far-off time when they will have magically accumulated the money they need to jet around the world, pay for their grandchildren's education, or otherwise have fun.”

That leaves them unprepared for the reality, Ng says. They may need to work part-time just to get by. It's possible they will outlive their money.

“There's no reason to work hard your whole life, but end up without the money you could have had because you failed to avoid common mistakes people make,” Ng says.

He says three examples of avoidable errors are:

- **Failing to understand taxation.** Most money is taxable right away, but in some cases, such as with individual retirement accounts, taxes can be deferred. A third category, Ng says, is tax-free money. Examples of tax-free investments include municipal bonds, life insurance proceeds and 529 education savings plans. “Your goal should be to shift as much taxable money as possible into the tax-deferred or tax-free categories,” he says.
- **Acting without enough specialized advice.** You might assume one financial advisor could handle all your investment needs. But that's not necessarily the case,

Ng says. The strongest plans usually benefit from multiple specialists. An eldercare

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as long as you live," Ng says. "Do you have enough to cover immediate? To cover long-term care? To cover healthcare?" The sooner people address the longevity risk, he says, the more prepared they may be to live a rich life.

Ng insists there's still time for those nearing retirement to make amends – at least to some degree – if they haven't planned for what lies ahead.

"I can't stress this enough," Ng says. "It's never too late to formulate a plan. We can't change the past, so the time to get started is now."

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