

Retirement Planning

- 1) What types of expenses can be lowered or eliminated during retirement?
 - Income Tax because not work anymore
 - Transportation cost because don't need to go out much and sometime get discount on public transportation.
- 2) What types of expenses might increase during retirement?
 - Medical expense because when people get older, they are easy to get sick. Sign of view not good and can get injury.
- 3) Explain the difference between a defined-contribution and defined benefit plan.
 - Defined benefit plan provides a specified payment amount in retirement, while a Defined contribution plan allows employees and employers to contribute and invest funds over time to save for retirement