

The Golden Times

*The Horizons
Club*

Winter/Spring 2009 Newsletter
New Horizons Credit Union

We hope you enjoy this inaugural issue of *The Golden Times* and find the information within useful, prepared especially for the members of our **Horizons Club**. This is a semi-annual publication, with the next issue (Summer/Fall 2009) coming to your mailbox in October.

Unforgettable Birthdays

Birthdays may seem less important as you grow older. They may not offer the impact of watershed moments, such as getting a driver's license at 16 and voting at 18. But beginning at age 59, there are several key birthdays that can affect your tax situation, health-care eligibility, and retirement benefits.

59½ — You can start taking penalty-free withdrawals from IRAs and qualified retirement plans, provided certain conditions are met. Ordinary income taxes generally apply to these distributions. (Withdrawals taken prior to age 59½ are subject to a 10% federal income tax penalty.)

62 — You are eligible to start collecting Social Security benefits, although your benefit will be reduced by up to 30%. To receive full benefits, you must wait until "full retirement age," which ranges from 65 to 67, depending on the year you were born.

65 — You are eligible to enroll in Medicare. Medicare Part A Hospital Insurance benefits are automatic for those eligible for Social Security. Part B Medical Insurance benefits are voluntary and have a monthly premium. To obtain coverage at the earliest possible date, you should generally enroll about two to three months before turning 65.¹

70½ — You must start taking minimum distributions from most tax-deferred retirement plans or face a 50% penalty on the amount that should have been withdrawn.* Annual required minimum distributions are calculated according to life expectancies determined by the federal government.

The information in this article is not intended to be tax or legal advice, and it may not be relied on for the purpose of avoiding any federal tax penalties. You are encouraged to seek tax or legal advice from an independent professional advisor.

1) *Medicare & You 2009*, U.S. Department of Health and Human Services

* The Worker, Retiree, and Employer Recovery Act of 2008 suspends required minimum distributions for the 2009 tax year.

Have you visited the updated
New Horizons Website yet?
It has a new look and a page dedicated to each of our Savers Clubs,
including **The Horizons Club!**
The latest information about Club benefits can be found there!
Visit www.newhcu.org today!

*Holiday
Closings*

MEMORIAL DAY
May 25, 2009

LABOR DAY
September 7, 2009

**Have you opened your
Ultimate Checking account yet?**

You could be earning **5.51% APY*** on account balances up to \$25,000!

Balances over \$25,000 earn **1.01% APY**

Ultimate Checking also **refunds** your ATM fees up to \$25 per cycle

Earning this fantastic rate only requires that you:

- make 12 New Horizons check card transactions each cycle,
- sign up to receive eStatements instead of paper statements and
- set up one direct deposit or authorize one automatic payment from your account.

You're probably already doing these things - why not earn some free money as our reward to you?!

Visit www.newhcu.org for full details.

**Annual Percentage Yield (APY)*

*The Horizons
Club*
P.O. Box 1785
Mobile, AL 36633

Free Stuff!

Visit www.newhcu.org to complete our

55 or Better Survey

and be entered to win a **\$100 Visa Gift Card!**

The answers to this survey will help us to better serve, specifically, our members age 55 or better! We need your input!

Next Issue!

Social Security Outlook

If your retirement is a long way off, you might want to consider the possibility that Social Security may not provide a significant source of your retirement income. Here's why...