

# Take Advantage of Higher IRA 'Catch-Up' Limits

**SUBMITTED BY KEVIN O'KEEFE**

Now that it's 2006, you are one year closer to retirement. Of course, if you are still in your 20s, this milestone may not mean that much to you. But if you are 50 or older, the prospect of actually becoming a retiree looms larger as the years go by. Fortunately, it's just become a little easier to build savings for your retirement years. Why? Because, as of Jan. 1, you can put \$1,000 in "catch-up" contributions into your traditional or Roth IRA, up from \$500 in 2005. So, given the \$4,000 annual limit for regular

contributions, you can put a total of \$5,000 into your IRA in 2006.

Fully funding your IRA should be one of your top investment priorities. Keep in mind that IRAs offer two major benefits:

- Tax advantages — If you have a traditional IRA, your earnings have the potential to grow tax-deferred, so your money will grow faster than it would in an investment on which you paid taxes every year. (You will eventually have to pay taxes on your earnings, but, by then, you may be in a lower tax bracket.) Also, depending on your income level, your contributions may be tax-deductible. When you have a Roth IRA, you can with-

draw your contributions at any time, free of taxes. You also can take out earnings, free of taxes, as long as you don't begin withdrawals until you've reached age 59-1/2 and had your account for at least five years.

- Variety of investment options — You can invest your IRA in virtually any security you choose — stocks, bonds, Treasury bills, certificates of deposit, etc. In fact, you're not confined to just one type of investment within your IRA; you can create a diversified portfolio containing a variety of holdings. Given the tax advantages and investment flexibility, it's almost certainly a good idea to "max out"

on your IRA every single year. Of course, it's not always that easy to come up with \$5,000 at one time, so keep in mind that you can fund your IRA over the course of a year by putting in about \$416 per month. And, to make it even easier for you to completely fund your IRA, you could have that \$416 moved automatically, via a bank authorization, from your checking or savings account to your IRA. On the other hand, if you can possibly afford to pay the full \$5,000 in the first few weeks of the year, you may well end up with more money in the long run. That's because you'll be giving your money more time to grow — and,

as an investor, time can be your greatest ally.

But however you do it — over 12 months or right away — put the full amount into your IRA. Along with your 401(k) or other employer-sponsored retirement plan, your IRA is one of the best retirement-savings vehicles you have available. And if you are on the "plus" side of 50, you'll want to really focus your efforts on making sure you have the resources available to enjoy the retirement lifestyle you deserve.

Mr. O'Keefe manages the office of Edward Jones Investments coming this month to the Marketplace at Kapolei.

## Dawn's Databytes

**BY DAWN SANDERS**

"Have it your way!" Remember that slogan from Burger King's early days? Burger King had a unique tagline made into a memorable jingle with an identifiable logo—their company name sandwiched in-between a hamburger bun. Consumers knew they could order a burger to their liking, which translated to fresh rather than waiting under a heat lamp all day. It is key to have a uniqueness that sets you apart from the rest of the competition. What makes your business unique? It can be your reputation, the products and services you sell, your commitment, or your branding. The best way to communicate your uniqueness—your brand—is through logo and tagline development.

Here are five ways to promote your unique brand:

1. Giving away an item that will expose your business to others, such as t-shirts, coffee mugs, free e-zines, or calendars, can be a great way of advertising your message, your services and products. What do you have to give away?

2. Place your brand on all marketing material. Once you have created a logo and tagline you are happy with, it is time to put it on your business cards, stationary, website, and free giveaways. Don't forget to put your tagline, e-mail and website addresses, phone number and business address as a signature on your e-mails, outgoing postal mail, stationary letterhead, and

envelopes. You can even create a graphic image of your business card and attach it to e-mails as another way of engraving your logo in your future client's mind eye. Keep your business cards with you always. You never know when a great business opportunity will happen.

3. Give away some of your knowledge. There is no better way of showing that you know your trade by writing articles. These can take a small time commitment, but will offer you endless advertisement opportunities for time to come.

4. Encourage input from your potential clients. Some of the best ways of doing this is by offering participatory surveys on your website. People like to voice their opinions! Perhaps create a voting poll on a new product idea that you are kicking around. What better way to get free market testing?

5. Word-of-mouth is still the best way. Your commitment to producing a great product or offering a great service will have others tooting your horn. Having a satisfied customer will work wonders. A great way to spread the word about your business is by placing a referral form on your website.

Branding is all about repeated exposure of your logo and tagline. Following the above five methods will ensure long-term success for your business!

Happy Computing!  
Dawn

## FIVE WAYS TO PROMOTE YOUR BUSINESS IDENTITY

*Dawn Sanders is the owner of Corporate Documents & Information Specialists (CDIS), a firm that specializes in helping ease day-to-day business operations and to assist in promoting individuals to large corporations using database*

*and Web-based solutions. Call us today at 672-8865 for database and Web support or visit us on the Web at [www.cdis-now.com](http://www.cdis-now.com)*



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