

Returning to Work After Retirement

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So, you've retired. But, you need extra cash or you want a productive way to keep busy. Maybe you want to stay mentally active or just like working. Returning to work is certainly an alternative. What are some things you want to consider? Reviewing the pros and cons may help.

What Do You Want to Do?

When returning to work after retirement, don't be afraid to dream or try something new.

- Think about what you wanted to do when you were younger but never did. Still interested?
- Complete some know-yourself exercises in a career book or on-line. Look at the newspaper want ads or Internet job search tools and jot down three jobs that intrigue you.
- Research careers on UtahFutures.org
- Visit your local Department of Workforce Services office to see what they can do to help you.
- Take an interest inventory and match up your interests with different kinds of work.
- Determine what skills you already have and think of how those skills can be applied in different settings.
- Find the local chapter of a trade association for a business in which you might be interested.
- Join a job-networking group.
- Join and network on LinkedIn (www.linkedin.com)—a business networking site.

Pros

Money: Employment will give you extra cash or delay the time until you must tap your nest egg.

Health insurance: Your new employer might provide group health coverage.

Mental activity: You'll have a chance to continue your mental development, learn new things and contribute to society.

Community: You'll have the opportunity to be around other people and feel like you are part of a community.

Social Security benefits: You could rack up bigger monthly checks by staying on the job longer and raising your Social Security benefits. Workers age 65 or older can claim full benefits even if they continue to work full-time.

- Check out which jobs need workers in your area (jobs.utah.gov).
- List five or six places in your community where you would like to work.
- Check out three or four franchise ideas for a small business.
- Check the AARP web site for companies who like to hire seniors: (http://www.aarp.org/money/work/best_employers/best_employers_list_2009/).
- Throughout your career you've certainly built up a bank of valuable knowledge and skills. Consider putting that to good use by training the new generation in your field.
- If it's not money or benefits you're after, consider volunteer work.

Cons

Age discrimination: Unfortunately it still exists, and that's why it is imperative for older people to keep their work skills up-to-date.

Pension problems: Returning to work after retiring could impact your pension. Check with your former employer to make sure you won't be hit with any penalties.

Taxes on social security benefits: By working and increasing your income, there's a greater chance a larger percentage of benefits will be subject to income taxes.

Less leisure time: You'll have less free time if you work after retirement.

IRA withdrawals: If you have a traditional IRA and are working in retirement, you still will have to take required minimum distributions at 70 and a half. These withdrawals count as income, which could mean more of your Social Security benefits would be taxed.

Although the recession may make it harder to find a job, the economy will improve. Plus, as the baby boomer generation starts to retire, businesses will once again worry about the void they will create.

The value of older workers is becoming more appreciated. According to AARP, industries that are actively recruiting older workers include healthcare, retail and customer service, and education.

Finally, use all the resources outlined in this publication to find yourself the job you want. ✂

Resources:

- O*net self-assessment tools: <http://online.onetcenter.org/skills/>
- <http://www.UtahFutures.org> (under Assess Your Interests)