



Things You Control

Making IRA Contributions

Financial markets can be uncertain (e.g. Q1 2016) but two certainties still remain – your retirement and taxes. Luckily, you can benefit from both (Improving your odds of more retirement funds and taking advantage of tax laws) by contributing to your IRA by mid-April.

You can contribute up to \$5,500 for 2015 (\$6,500 if you were age 50 as of December 31, 2015) to your IRA by April 18, 2016 (For most taxpayers).

You can contribute to a traditional IRA, a Roth IRA, or both, as long as the total contributions don't exceed the annual limit and meet the IRS eligibility tests. You may also be able to contribute to an IRA for your spouse for 2015, even if your spouse didn't have any 2015 income.

Investors focused on their financial goals (e.g. a comfortable retirement) face many activities that can determine their success. These range from things they control (how much they save) to things they simply do not (the future returns on their investments).

Effective people spend their efforts on things they control, now, even though conjecturing about the future is more fun. And, while Hope may be a powerful, positive emotion when looking ahead, it's usually a terrible plan.

Note: These comments are not to be regarded as tax-advice; please check with your tax advisor for your specific situation.

Why It's Important

In Investing (as in Life) we can: hope, worry or plan.

I believe that when we hope or worry, we are largely looking at the future and are focused on things we **do not** control. We hope the markets will get higher and we will make money. Or we worry that markets will collapse and we may lose all our money. And yet, deep down in our hearts, we know that whether our thoughts are optimistic or pessimistic they simply do not influence future outcomes.

We can also look at the future plan-fully. When we do this we tend to focus on the things that we **do** control. And, by picking activities that are in our control and that are important to our future we have a far better chance of achieving our goals. Of course, life holds few guarantees! So, for example,

while we all hope that our favorite stock pick will be a high performing stock, not implementing a properly diversified portfolio is plainly irresponsible to our financial well-being.

17 March 2016
Dushyant Pandit
Dorchester Advisors

This article is provided on an informational basis only. It reflects the author's opinions as of the dates cited and these opinions may change at any time. It should not be considered as providing investment advice, nor is there any guarantee that any forecast or opinion will be achieved. The data contained are believed to be reliable but no representation is made concerning their accuracy.

Past performance is not a guide to future performance.

DorchesterAdvisors is a Registered Investment Advisor in NJ and NY.