

RETIREMENT

Boost Your Retirement Savings in Your 50s with These Six Moves

If you want to supercharge your nest egg in the run-up to retirement, follow these strategies.



It's crunch time if you are in your 50s and saving for retirement. You may not think so — after all, you can likely work another 15 or more years — but the actions you take today can have a big impact on the riches you amass tomorrow. That's even more the case if saving for retirement hasn't been at the top of the priority list up until now.

“Your 50s can be a pivotal decade for retirement readiness,” says Sabino Vargas, CFP, senior financial advisor at Vanguard. “You may need to recalibrate your retirement expectations, but with 10 to 15 years ahead, there's still time to make meaningful progress.”

People in their 50s are in an enviable position at this stage of the run-up to retirement. For starters, many are near their peak earnings period. They are making money and, as a result, should be saving more. They are also starting to see expenses decrease as their kids grow up and are no longer on the family payroll.

Time is on their side as well. Fifteen to seventeen years before retirement is a lot of time to save and benefit from compounding.

People in their 50s also have numerous options for boosting retirement savings, including the following six.

1. Resist the lifestyle creep

Lifestyle creep has been around for ages and occurs when your spending habits rise along with your income. It can hurt your ability to save and lead to costly debt.

“A lot of people fall victim to lifestyle creep. Now that they have more cash flow, they spend more,” says Tyler End, CFP and CEO/Co-Founder of Retirable.

To avoid lifestyle creep, create a budget and stick to it. Any excess money goes to your savings. Making it automatic can be a way to ensure you aren't overspending.

2. Take advantage of catch-up contributions

The power of compounding can not be overstated. It's what fortunes are made of and occurs when the interest in your retirement savings account earns interest. Let's say you have a \$1,000 investment earning 7% return each year. After a decade, that investment will have almost doubled to \$1,967.15 thanks to compounding. Without compounding, the return would be \$700. The larger the balance and the longer it's invested, the greater the compounding effect.

An easy way to increase the amount of money that benefits from compounding is to take advantage of 403(b) and IRA catch-up contributions. For people 50 and older, catch-up contributions let you contribute more to your retirement savings accounts.

For 2025, you can contribute an extra \$7,500 to a 403(b) or 401(K) and an additional \$1,000 to a traditional or Roth IRA. If you are between the ages of 60 and 63, there are also super catch-ups, which let you contribute an additional \$11,250 to your 403(b).

“I'd say maxing out of your retirement accounts — and taking advantage of catch-up contributions — is one of the most effective ways to accelerate savings in your 50s,” says

Vargas. “These contributions may seem modest year to year, but they add up quickly — and with compounding, they can significantly boost your retirement readiness.”

3. Take advantage of a Health Savings Account

Health care in retirement can cost you as much as \$172,500 during your lifetime, according to Fidelity Investments’ latest estimate. That’s a lot of out-of-pocket dollars you have to save for. One way is via a Health Savings Account or HSA.

With an HSA, the money you invest can roll over year after year. There is no use-it-or-lose-it rule. Plus, HSAs are triple tax-free. You get a deduction when you contribute, they grow tax-free, and you don’t pay taxes when you withdraw them for qualifying medical expenses. An HSA is only available with a high deductible plan, but if you are healthy and don’t foresee many out-of-pocket medical expenses, HSAs can be a way to amp up your savings.

There are limitations you need to be aware of. For 2025, the limit is \$4,300 for self-only coverage and \$8,550 for family coverage. If you are 55 or older, you can contribute an additional \$1,000.

4. Pay off your debt

Here’s a quick way to boost your savings — pay off your high-interest-rate debt. Whether it’s a credit card or personal loan, high-interest debt can eat away at your income and ability to save.

There are several methods to pay down debt, including the avalanche method, in which you pay off the highest interest rate debt first. You make minimum payments on all debts, and any extra money goes toward the debt with the highest interest rate. Once it’s paid off, you apply the payment and any excess to the next highest interest rate debt.

The snowball method is another popular way to pay off debt. With it, you pay off your smallest debt first, making minimum payments on everything else. Once the first debt is paid off, that payment goes to the next smallest debt. This is replicated until everything is paid off.

5. Redirect more income to savings

Another strategy to boost savings is to review your spending to identify opportunities to redirect more of your income toward savings. It may seem difficult at first but even little lifestyle changes can be meaningful.

“Trimming discretionary expenses, eliminating lingering debt or even downsizing your home can unlock significant cash flow that you can put toward your goals,” says Vargas.

6. Keep risk in line with the time horizon

As we get closer to retirement, we are trained to pull back and get more conservative. After all, we need to protect the money we’ve saved. But retirement can last decades, which means your money still needs to grow. It can’t do so in investments that are too conservative.

“Shifting too heavily into low-risk, low-return assets like cash or short-term bonds can limit your ability to build the savings you’ll need,” says Vargas.

“While it’s wise to reduce risk gradually as you approach retirement, maintaining a healthy allocation to equities can give your money the growth engine it needs — especially if you’re planning to work into your late 60s or beyond.”

Stick to your newfound savings plan

Opportunities abound to save for retirement in your 50s, whether you trim your budget, take advantage of catch-up contributions or open an HSA. The key is to be disciplined, determined and committed to the saving strategies you choose.

Even saving a little extra each month can have a big impact on your nest egg over the next fifteen years.

NYSUT NOTE: It's easier to stick to a plan that was developed by someone who knows exactly what they're doing. The NYSUT Member Benefits–endorsed [Financial Counseling Program](#) offers investment guidance for debt management, tax planning, retirement advice, and much more.

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Donna Fuscaldo is the retirement writer at Kiplinger.com. A writer and editor focused on retirement savings, planning, travel and lifestyle, Donna brings over two decades of

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