FChFP 02 - Retirement Planning & Tax Concept

This module teaches students to recognize the role taxes play in business and investment decisions. In addition, the module presents the general role of taxation and its implications across all taxpaying entities before discussing the details relevant to specific entities. This approach allows students to really grasp the fundamental concepts that are the foundation for specific tax rules. The benefit is that the students will understand the framework of the tax system, even though specific tax rules and regulations change from year to year, country to country.

1. Introduction to retirement planning

1.1 Personal Finance

1.2 Why the need for Financial planning?

1.3 What are the Benefits of Financial Planning?

1.4 Introduction to retirement/ what is retirement

1.5 What is the ideal retirement age?

1.6. Purpose of Retirement Planning

1.7 What are the sources of Income during / on retirement?

1.8 The scope for retirement planning

1.9 Why plan for retirement?

1.10 Phases in Retirement Planning

1.11 Basically when should retirement planning start?

2. Factors influencing retirement planning

2.1 Life expectancy

2.2 Inflation: - Out witting the virus

2.3 Taxes

2.4 Tax Planning

3. The steps involved in executing Retirement planning

3.1 Effectively manage every stage of retirement planning by following the processes mentioned below

3.2 Now how can we as financial advisors help clients with their retirement and pension funds

3.3 Now what are the skills necessary for Data Gathering

3.4 Once you have these details the next thing one needs to do is analyze the data

3.5 Basically there are 6 factors that would help a Financial Advisor in determining the corpus required for retirement

3.6 Replacement Ratio Method

3.7 Expense Method

3.8 What is a Retirement Corpus or Fund?

3.8 a) How much should this corpus or fund have?

3.9 Application oriented problem

3.10 The three major factors that should be focused on while analyzing the client's objectives are

4. Risk and Return

4.1 Return on Investment
4.2 Definition of Expected Return
4.3 Now then what is meant by total return
4.4 Now answer this question are Yield and returns same
4.5 There are two methods by which one can calculate the return of investments
4.6 Well what is nominal interest rate
4.7 Market Risk

5. Introduction to Gratuity and Introduction to Defined Benefit Plan and Defined Contribution Plan

5.1 Defined Benefit Plans

5.2 Defined Contribution Plans

5.3 Well what is gratuity?

5.4 How does gratuity work?

5.5 When is one entitled to get Gratuity?

5.6 The main feature of the act has been high lighted

5.7 Determination of Gratuity Amount

5.8 Tax treatment of gratuity

5.9 Now what is the difference between gratuity and Pension

5.10 Employee Provident Fund

5.11 The Employees Deposit-linked Insurance Fund Scheme

5.12 Calculation of Pension

5.13 Pension Plans

5.14 Retirement Solution to all "National Pension Scheme"

a) Coverage and eligibility

b) Operational Structure

c) Investment Options

d) Withdrawal norms

e) NPS Swavalamban - Making pension possible for small investors

f) Tax treatment

6. Other Investment Avenues

6.1 Fixed deposit: **a) Benefits of Fixed Deposits: 1**) **Safety ii) Regular Income iii) Saves Tax iv) Liquidity b) Precautions**

c) Inflation Protection
6.2 Company fixed Deposits
a) Why do companies come out with these types of deposits
b) There are two main risks associated with Company Deposits,
i) Default Risk ii) Unsecured Deposits
c) Inflation Protections

6.3 Bank Recurring Deposits
a) Inflation Protection

6.4 Public Provident Fund (PPF)
a) Main features of PPF A/c

6.5 Post office savings
a) Senior Citizen Savings Scheme (SCSS) Account
b) Post office term deposits

6.6) National Savings Certificates (NSC)
NSC IX Issue