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The decade when income rises fastest is also the decade when financial plans fall furthest behind. Here is where the gaps tend to form - and what to do about them.

Why Your 30s Are the Decade That Matters Most

There is a version of your 30s that looks great, from the outside. You are earning more than you ever have. You have a 401(k). You probably own a home or are close to it. You may have children or be planning for them.

The income grows. The obligations grow faster. The tax picture gets more complicated. The financial blind spots that form in your 30s are rarely the result of carelessness. They are usually the result of a plan that was correct at 27 and simply has not been updated to reflect a more complicated life.

Blind Spot 1: Insurance That No Longer Reflects Your Life

Insurance coverage can be one of the most consequential decisions a person in their 30s makes, and one of the most frequently deferred.

Life Insurance: How Much Is Actually Enough?

A reliable method to determine adequate insurance coverage starts with what your family would need such as:

- income they depend on
- mortgage balance
- outstanding debts
- anticipated education costs

Also, term life insurance is the right starting point for many people in their 30s. It is straightforward, relatively inexpensive at this age, and directly addresses the risk you are trying to cover.

Disability Insurance: The Gap Nobody Talks About

In your 30s, your most valuable financial asset is not your portfolio. It is the present value of every paycheck you have not yet earned. The risk of a disabling illness or injury before retirement is meaningfully higher than most people assume - and yet disability insurance is treated as an afterthought relative to life insurance in most financial conversations.

Blind Spot 2: Beneficiary Designations That Stopped Being Current

A beneficiary designation form completed at a job you left five years ago - or at the birth of your first child, before a second arrived - is still the governing document for that account. It overrides your will. A divorce does not automatically remove a former spouse as beneficiary on a 401(k) or IRA in most states. A marriage does not automatically add a new spouse. The form controls the asset regardless of what your current intentions are.

A review of every account's beneficiary designation takes less than an hour and belongs on the list any time your family circumstances change - marriage, divorce, birth, death, or a major shift in your financial picture.

Estate Documents: The Floor, Not the Ceiling

A will, a durable power of attorney, and a health care directive are the minimum documents a person in their 30s with dependents or meaningful assets should have in place. Together, they cover what happens to your assets, who can manage your financial affairs if you cannot, and who speaks for you in a medical emergency.

Blind Spot 3: Equity Compensation Managed by Guessing

Equity compensation - restricted stock units (RSU), incentive stock options, employee stock purchase plans - is one of the fastest wealth-building tools available to employees at high-growth companies. It is also one of the most reliably mismanaged, not because people are inattentive but because the tax mechanics are counterintuitive and the stakes of guessing wrong are real.

Blind Spot 4: A Savings Rate That Has Not Kept Pace With Income

Lifestyle creep is one of the most common financial blind spots in your 30s, and the least discussed, because it does not feel like a mistake while it is happening. Spending rises incrementally with income - a nicer car, a larger home, more frequent travel, private school tuition - and the savings rate falls quietly in the background. The pattern goes unnoticed until it is well established and, by that point, hard to reverse without a meaningful change in habits.

Competing Priorities: How to Sequence Them

Most people in their 30s are simultaneously managing more financial goals than any single decade has historically required:

- student loan repayment
- a mortgage

- retirement savings
- an emergency fund
- children's education savings
- insurance premiums

Trying to optimize all of them at once usually results in making progress on none of them with intention. Addressing two or three at a time with your wealth advisor can help prevent feeling overwhelmed.

Blind Spot 5: Ignoring Where Money Is Held, Not Just How Much

Asset allocation - the mix of stocks, bonds, and other investments - gets most of the attention in financial conversations because it is visible on a statement.

Asset location - which types of assets sit in pre-tax accounts, Roth accounts, and taxable accounts - gets almost none, even though it determines a meaningful portion of what you keep after taxes over a long period.

Your 30s may be the best time to establish **Roth exposure**, because taxable income relative to lifetime earnings is likely lower now than it will be at peak career, and the compounding runway for Roth assets is long.

Tax diversification - holding a meaningful balance across pre-tax, Roth, and taxable accounts - gives you flexibility to manage taxable income in retirement in a way that a fully pre-tax portfolio does not. Establishing it in your 30s is relatively inexpensive and has decades to compound.

Blind Spot 6: Inherited IRA Rules for Non-Spousal Beneficiaries

If you are in your 30s with parents approaching or in retirement, the mechanics of inheriting a retirement account are worth understanding before the money arrives - not after. As a non-spouse beneficiary, you are generally required to empty an inherited IRA within ten years of the original account owner's death. If the original owner had already begun required minimum distributions (RMDs) before dying, you are also required to take annual distributions throughout that ten-year window. The planning opportunity is in managing the size and timing of distributions annually, rather than defaulting to the minimum or the maximum without analysis. That requires knowing the rules before the account lands in your name, which is why the conversation with a parent - and your own wealth advisor - is worth having now, while there is still time to structure things with intention.

Blind Spot 7: Building for the Next Generation Without a Plan for It

For clients in their 30s with children, three accounts are systematically underused relative to their potential: the custodial Roth IRA, the 529 plan and the new Trump 530A Account.

Custodial Roth IRA: Starting the Clock Early
A child with earned income is eligible for a Roth IRA. A parent or guardian can open and manage

a custodial Roth IRA on the child's behalf. Contributions are capped at the lesser of the child's earned income for the year or the annual IRA limit - $7,500 in 2026.

529 Plan and Trump 530A Accounts and Front-Loading Contributions

A 529 Plan is a state-sponsored, tax-advantaged savings account designed specifically to help families save for education expenses. These plans have been available since 1996 and remain one of the most powerful and flexible tools in a growing family's financial planning toolkit.

A Trump 530A Account is a new type of tax-advantaged children's savings account introduced as part of federal legislation enacted in 2025, with initial contributions eligible to be made as of July 4, 2026. These accounts represent an innovative approach to generational wealth-building by providing a financial foundation for your child.

For more details on the 529 Plan and Trump 530A Account, and how they can work together, check out our June 2026 publication.

Progress Is the Point

The financial decisions that define your 30s rarely announce themselves as significant at the time. They become significant through the passage of time and the compounding of consequences. The goal is not to address every item on this list simultaneously. The goal is to review your plan with your wealth advisor and identify which gaps apply to your specific situation. The conversation itself is where clarity tends to start.

Frequently Asked Questions

What are the most common financial blind spots people make in their 30s?

The most common financial mistakes include: inadequate insurance coverage, outdated beneficiary information, mishandling equity compensation, mismanaging asset allocation and location, not understanding IRA rules, and preparing for generational wealth.

How much should I be saving in my 30s?

A common benchmark is 15 to 20 percent of gross income.

Should I pay off debt or invest in my 30s?

It depends on the interest rate. High-rate consumer debt - generally anything above 7 or 8 percent - is usually worth prioritizing.

What happens if I inherit an IRA in my 30s?

As a non-spouse beneficiary, you are generally required to empty the inherited IRA within ten years of the original owner's death. If the owner has already begun the required minimum distributions, you must also take annual withdrawals during that period.

Do I need a trust in my 30s, or is a will enough?

For most people in their 30s, the essential estate documents include a will, durable power of attorney, health care directive, and correctly updated beneficiary designations.

How much life insurance do I need in my 30s?

Start with what your family would actually need: the income they depend on, your mortgage balance, outstanding debts, and anticipated education costs - offset by liquid assets already in place.

When should I start working with a wealth advisor?

The need may change when complexity arrives: equity compensation, a significant inheritance, a business, a second child, a decline in a parent's health, or a major career transition. At that point, coordinating taxes, insurance, estate documents, and investments simultaneously is where an advisor can provide the most value.

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