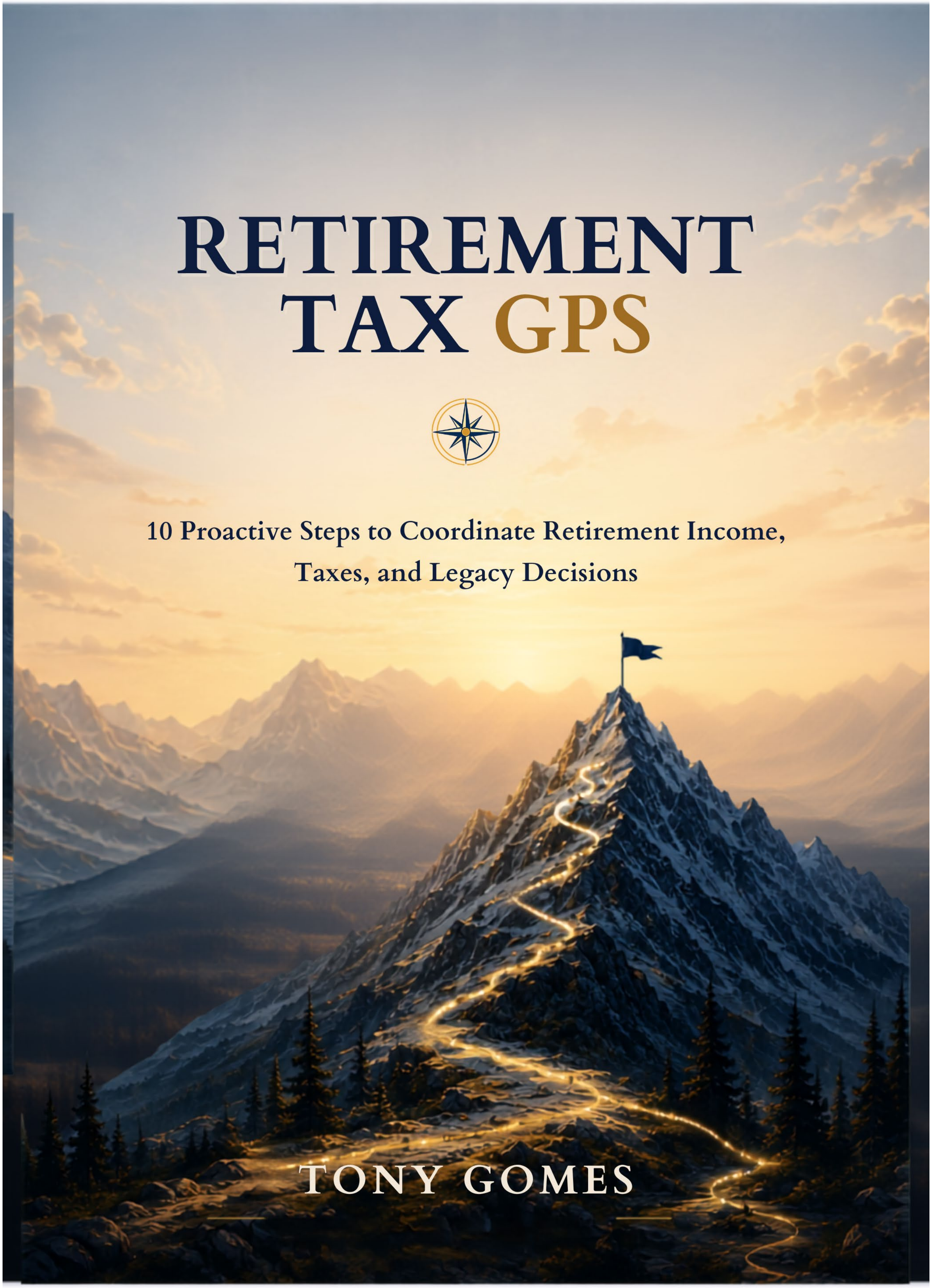
RETIREMENT
TAX GPS
10 Proactive Steps to Coordinate Retirement Income,
Taxes, and Legacy Decisions
TONY GOMES

RETIREMENT TAX GPS

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10 Proactive Steps to Coordinate Retirement Income, Taxes, and Legacy Decisions

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Ordering Information: For information about special discounts for bulk purchases, please contact the publisher at the address above.

First edition
Information current through: August 7, 2026

ISBN
Paperback: 978-1-967255-04-7
Hardback: 978-1-967255-05-4

Printed in the United States of America

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To the families who spent a lifetime building their wealth—
and who deserve the clarity to preserve it, enjoy it,
and pass it forward with purpose.

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Preface

Why I Wrote This Book

Most people are taught how to save for retirement. They are told to contribute to a 401(k), invest for the long term, avoid emotional decisions, and build the largest balance they can.

Those lessons matter. But they leave out an important part of the story.

A retirement account statement tells you how much is in the account. It does not tell you how much you can spend after taxes. It does not show what happens when required distributions begin, when a pension starts, when Medicare costs respond to income, or when the first spouse dies and the survivor begins filing as a single taxpayer. It does not show whether the assets your children inherit will arrive with a tax bill attached.

My interest in money and taxes began early. Helping my mother with budgeting and preparing her taxes taught me something I have never forgotten: every dollar matters when a family has worked hard to earn it. That lesson stayed with me as I built businesses, invested, and eventually began working with retirees and families who had accumulated meaningful wealth.

Many of those families did everything they were told to do. They saved. They invested. They paid down debt. They helped children and grandchildren. They built retirement accounts, taxable accounts, pensions, insurance policies, and estate plans.

The problem was rarely a lack of planning or capable professionals. Many advisors, CPAs, attorneys, and insurance professionals collaborate effectively and provide valuable guidance within their areas of responsibility. The problem was not necessarily the quality of the individual advice. It was that important decisions were sometimes made at different times, from different sets of facts, without clear ownership of the follow-through.. Even strong advice can produce an incomplete result when the right information does not reach the right people in time.

I saw the same issue in retirement workshops. People needed someone to slow the conversation down and explain clearly how one decision could affect taxes, investments, Medicare, income, a surviving spouse, and the legacy they hoped to leave.

This book is designed to make complex retirement decisions easier to understand and help you work more effectively with the professionals you trust. You have better things to do with retirement than memorize the tax code before breakfast.

My purpose is practical. I want to help you see the decisions that matter before they become permanent. I want you to understand why the source, timing, and purpose of income can change the result. I want you to know which questions belong in the room before money moves, a pension election is signed, a beneficiary form is changed, or a year-end planning window closes.

That is why I wrote *Retirement Tax GPS* and organized it around a ten-step planning framework.

A GPS does not promise a road without traffic, detours, or harsh weather. It helps you understand where you are, where you are trying to go, and what may need to change along the way. The 10-Step Retirement Tax GPS framework follows the same idea. It helps coordinate the retirement paycheck, tax brackets, income thresholds, account location, charitable planning, tax timing, annual reviews, legacy decisions, insurance needs, and implementation.

The steps work together to keep connected decisions on the same map.

Use this book to become a better-informed participant in your own planning. Mark the questions that apply to your family. Write down what you do not know. Bring the action pages to the professionals you trust. Ask for explanations in plain English and in real dollars.

The work begins before the decision is made.

How to Use This Book

Retirement Tax GPS is designed to work in two ways: as a short educational guide that can be read from beginning to end and as a reference you can return to before important financial decisions.

Part I explains the terrain. It covers the shift from accumulation to distribution, sequence-of-return risk, pension decisions, the basic tax treatment of retirement income, account types, and the laws that can change how inherited retirement accounts are managed.

Part II contains the ten-step Retirement Tax GPS. This is the working framework. Each step addresses a different decision, but the real value comes from using the steps together and reviewing them regularly.

Start with the Retirement Tax GPS at a Glance and identify the two or three steps most relevant to your family now. As you read, note the questions, missing information, and decisions that may require professional guidance. Then use the Quick Reference, Retirement Tax GPS Action Plan, Annual Retirement Tax Planning Calendar, and Bring This to Your Planning Meeting checklist in the back matter to organize your next steps and prepare for conversations with the professionals you trust.

The examples are simplified and are intended to teach concepts, not prescribe a result. A strategy that works for one household may create a problem for another. Tax rules, thresholds, product terms, and personal circumstances change. Before acting, confirm the current facts and obtain advice from qualified professionals who understand your full situation.

RETIREMENT TAX GPS

THE 10-STEP ROUTE AT A GLANCE

Retirement tax planning is not one decision. It is a coordinated route connecting income, taxes, investments, healthcare, insurance, and legacy planning.

Use this map to identify where you are, which decisions need attention, and who should be involved before action is taken.

01

CASH FLOW COMPASS

Build the Retirement Paycheck

Identify spending, dependable income, and the amount your savings must provide.

02

BRACKET MAPPING

Set the Year's Tax Range

Estimate your tax range before adding withdrawals, conversions, gains, or other income.

03

INCOME THRESHOLD CHECK

Look Beyond the Tax Brackets

Evaluate how income-sensitive thresholds impact Medicare, Social Security, and other key areas.

04

TAX-AWARE ASSET LOCATION

Place Investments With Purpose

Match accounts and investments to tax treatment, liquidity needs, risk, and time horizon.

05

CHARITABLE GPS

Coordinate Your Giving

Determine what to give, where it comes from, and when to give it for the greatest impact.

RETIREMENT TAX GPS

THE 10-STEP ROUTE AT A GLANCE

Retirement tax planning is not one decision. It is a coordinated route connecting income, taxes, investments, healthcare, insurance, and legacy planning.

Use this map to identify where you are, which decisions need attention, and who should be involved before action is taken.

06

Tax Timing Strategies

Navigating Pay Now vs. Pay Later Choices

Compare the cost of recognizing income now versus later to reduce lifetime taxes.

07

Annual Tax GPS Review

Update the Route

Update the route as laws, markets, income, health, and family circumstances change.

08

Legacy Navigator

Align Beneficiaries, Estate Documents, and Taxes

Align beneficiaries, estate documents, account ownership, and tax consequences.

09

Life Insurance Review

Decide Whether Life Insurance Solves a Defined Need

Evaluate whether a policy solves a specific and measurable need.

10

Retirement Tax GPS Roadmap

Put the Plan Into Action

Assign the next action, responsible person, professional, deadline, and review date.

START HERE: Identify the two or three steps that require attention now. You don't need to solve the entire route in one sitting.

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Introduction

"In this world nothing can be said to be certain, except death and taxes."[1]
—Benjamin Franklin, letter to Jean-Baptiste Le Roy, November 13, 1789

The Summit Is Only Half the Journey

Imagine standing at the peak of Mount Everest, having conquered the arduous ascent. The view is breathtaking—a panorama of achievement and the culmination of years of preparation. Yet seasoned climbers know that reaching the summit is only half the journey. The descent can be every bit as dangerous as the climb, with fatigue, shifting weather, and unforeseen challenges testing every decision.

Retirement planning mirrors this expedition. The accumulation phase is the climb. During your working years, you earn, save, invest, and steadily build toward the summit of retirement. But once you arrive, the journey changes. Retirement begins the distribution phase—the descent—when the strategies that helped you build wealth may not be the same strategies needed to use, preserve, and eventually transfer it.

After spending decades building your retirement, a new question appears:

How much of this money do I actually get to keep?

That question is at the heart of this book. A retirement account statement shows what you have accumulated, but it does not show what you can spend after taxes, what a surviving spouse may keep, or what your children may eventually inherit. The difference can be significant, and many families do not discover it until important decisions have already been made.

Welcome to Retirement Tax GPS. This book is designed to help you understand why the tax picture changes in retirement, recognize decisions that may create unnecessary taxes, and ask better questions before valuable planning opportunities pass.

Why Retirement Changes the Tax Picture

During your working years, taxes usually follow a familiar rhythm. You receive a regular paycheck, taxes are withheld, and deductions or retirement contributions may reduce your taxable income. The focus is primarily on accumulation: growing your savings and reaching retirement with enough resources to support the life you want.

Retirement changes that rhythm. Your paycheck may stop, but the tax decisions do not. Income may now come from several sources, and each can affect the others. A Roth conversion or a large withdrawal may change today's tax bill, future required distributions, or Medicare costs. After the first spouse dies, the survivor may face many of the same expenses while filing as a single taxpayer.

Because these decisions interact, retirement tax planning should begin before money moves or an important choice is finalized. That is the difference between tax preparation and tax planning. Tax preparation looks backward and reports what happened. Tax planning looks forward so the likely consequences can be considered before action is taken. Ongoing tax management helps keep those decisions coordinated as income, family circumstances, health needs, and tax laws change. A tax return can tell you what happened last year. It cannot travel back in time and fix it.

This is rarely a matter of carelessness. Most families were simply never shown how different the descent can be. They were taught to save, invest, diversify, and avoid running out of money. Those lessons matter, but they are not enough. In retirement, success depends not only on how much you have accumulated, but also on how and when you use it.

Our Journey Together

We will approach this journey in four stages, much like preparing for and completing a major climb.

A successful retirement is not just about reaching the summit. It is about preparing well, making strong decisions along the way, understanding what you have built, and then navigating the descent with confidence.

Each stage has a different objective, different risks, and different decisions that matter most.

The goal is not just to reach the summit.
The goal is to navigate the descent with confidence.

1. **BASE CAMP: UNDERSTANDING THE TERRAIN**
   Learn the history of tax rules and why proactive tax planning matters.

2. **ASCENT & TRANSITION: REACHING RETIREMENT**
   Navigate the transition from accumulation to distribution and prepare for retirement.

3. **THE SUMMIT: UNDERSTANDING WHAT YOU BUILT**
   Explore the tax system, account types, and the rules that affect your retirement savings.

4. **THE DESCENT: YOUR RETIREMENT TAX GPS**
   Use the 10-Step Retirement Tax GPS to make smart, tax-efficient decisions throughout retirement.

*You do not have to climb alone.
This GPS is your guide.*


THE SUMMIT IS ONLY HALF THE JOURNEY
1 BASE CAMP
Understanding the Terrain
Learn the history of tax rules and why proactive tax planning matters.
2 ASCENT & TRANSITION
Reaching Retirement
Navigate the transition from accumulation to distribution and prepare for retirement.
3 THE SUMMIT
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4 THE DESCENT
Your Retirement Tax GPS
Use the 10-Step Retirement Tax GPS to make smart, tax-efficient decisions throughout retirement.

Our Journey Together

We will approach this journey in four stages, much like preparing for and completing a major climb.

1. Base Camp: Understanding the Terrain

At Base Camp, we will lay the groundwork by exploring the history of U.S. federal income tax rates and why proactive tax planning matters. Understanding how the rules have changed in the past helps explain why today's rules should never be taken for granted.

2. The Ascent and Transition: Reaching Retirement

As you approach the summit, we will examine the transition from accumulation to distribution, the risks that become more important near retirement, and the major decisions involved in turning savings into income. This includes sequence-of-return risk, holistic retirement planning, and choices surrounding pensions and lump-sum distributions.

3. The Summit: Understanding What You Built

At the summit, we will look more closely at the tax system, the distinct types of investment accounts, and the rules that govern retirement savings. You will also meet the silent partner in many traditional retirement accounts: the IRS. A $1 million IRA may not equal $1 million of spendable wealth because the government may still have a future claim on part of the balance.

4. The Descent: Your Retirement Tax GPS

The descent is where the 10-Step Retirement Tax GPS comes into focus. It provides a practical framework for the decisions that arise during retirement. Each step addresses a different issue, but the real value comes from seeing how one decision may affect the next. Part II will guide you through each step and show why coordination matters throughout retirement.

You spent decades learning how to build wealth. The next challenge is learning how to use and preserve it without giving away more than necessary or leaving unnecessary tax pressure for the people you love.

Before applying the 10-Step Retirement Tax GPS, it helps to understand the tax landscape. Chapter 1 begins with the history of federal income tax rates and what that history can teach us about proactive planning today.

PART I

THE RETIREMENT TAX LANDSCAPE

Understanding the terrain before building the route

Chapter 1

The Evolution of U.S. Federal Income Tax Rates and the Importance of Proactive Tax Planning

"Plans are worthless, but planning is everything."[2]
—Dwight D. Eisenhower, 1957

Why Understanding Tax History Matters to You Today

Before we begin applying specific retirement tax strategies, it helps to understand the tax landscape—and history makes one point very clear: the rules are not permanent.

Looking backward reveals a simple, practical lesson: tax rates, deductions, brackets, and retirement laws can change, sometimes dramatically. A retirement plan should be flexible enough to adjust when they do.

The Birth of Federal Income Tax: 1913

The modern federal income tax began in 1913 after ratification of the 16th Amendment.[3] At first, it applied to a much smaller portion of the population than it does today, and the top marginal federal income tax rate was approximately 7%.[4]

That modest beginning did not last. As the country's needs changed, the tax system expanded, and rates changed with it. What began as a relatively narrow tax became a regular part of financial life for millions of Americans.

A tax rule that seems permanent today may look quite different over a retirement that lasts twenty or thirty years. The lesson is to build a plan flexible enough to work as laws and circumstances change.

World War I and the 1920s

World War I created an enormous need for federal revenue. By 1918, the top marginal federal income tax rate had risen to approximately 77%. During the 1920s, rates moved in the other direction and eventually declined to about 25%.[5]

The change was dramatic in both directions. It also shows why tax history should not be reduced to the claim that rates always rise. Wars, economic conditions, political priorities, and major reforms have often influenced tax policy, but the results have not always been the same.

Tax planning should not be based on one confident prediction about future rates. Future rates are uncertain. A better approach is to preserve choices about when income is recognized, and which accounts may be used when conditions change.

The Great Depression and World War II

The economic collapse of the 1930s brought another major shift. Federal programs expanded during the Great Depression, and the need to finance World War II pushed the top marginal federal income tax rate to approximately 94% at its peak.[6]

That figure can be startling, but it requires context. It was the top marginal rate, not the rate paid by the average household on every dollar of income. Still, the period demonstrates how quickly national events and policy decisions can reshape the tax system.

Extreme historical rates demonstrate how quickly tax policy can change during a long retirement. The longer your retirement, the more important it is to review the plan rather than assume today's rules will last forever.

The Reagan-Era Tax Reforms

Over the course of the 1980s, major federal tax reforms signed by President Ronald Reagan reduced the top marginal federal income tax rate from 70% to 28% by 1988.[7] The reforms also broadened the tax base, which meant that lower rates did not necessarily make every taxpayer's situation simpler. Deductions, credits, and other parts of the system changed as well.

A lower headline rate does not tell the whole story. A reform can lower rates while changing deductions or the way certain income is treated. Retirement planning should consider the full tax picture, not one number in isolation.

Recent Tax and Retirement-Law Changes

More recent legislation has continued to change important planning assumptions. The Tax Cuts and Jobs Act and later federal tax legislation revised individual tax rules. The SECURE Act and SECURE Act 2.0 changed retirement-account provisions, including rules affecting required distributions and inherited accounts.[8]

The point is simple: tax and retirement rules can change during the very years retirees are relying on them.

Current law is a starting point, not a lifetime guarantee. A plan should be reviewed regularly and adjusted as tax rules, income needs, filing status, and family circumstances change.

What History Teaches Retirees

Tax history does not tell us exactly what future rates will be. It tells us that the system changes. For retirees, the risk is not only that a rate might move higher or lower. The larger risk may be losing flexibility before you understand your choices.

A family that waits until required distributions begin may have fewer options than one that reviews Roth conversions, withdrawal timing, charitable giving, and capital gains during the earlier retirement years. That does not mean every family should use the same strategy. It means those decisions should be evaluated while there is still time to make them thoughtfully.

Planning Principle: Build Flexibility Before You Need It

Flexibility can come from having more than one type of account, including taxable, tax-deferred, and tax-free savings. It can come from having choices about when to recognize income instead of forcing too much into a single year. It can also come from coordinating tax and financial professionals before a decision creates consequences elsewhere in the plan.

A Quick Example

Consider Sarah, a marketing executive who has contributed approximately $15,000 a year to her 401(k). Through disciplined saving and market growth, she has accumulated about $800,000 by age 60 and expects to retire within the next few years.

During her working years, Sarah's job was straightforward: save, invest, and let time do its work. Retirement changes the question. If her income falls after she retires but before required distributions begin, she may have a valuable planning window. A coordinated review of withdrawals and potential Roth conversions could help determine whether paying some tax earlier would improve her long-term flexibility.

Sarah should not automatically complete a Roth conversion. What matters is that she has choices today that may not be available later—and she needs to evaluate them before the window closes. Her next step is to project the first full year after retirement and compare the potential cost of converting during that lower-income period with the potential cost of waiting.

Key Takeaway

Tax history documents how significantly the rules can change and why flexibility matters. Proactive planning means building enough flexibility to respond before income needs, required distributions, new laws, or family circumstances reduce your choices.

Take a moment to note your expected retirement year, when you expect to claim Social Security, and when required distributions are projected to begin. Those dates will help frame the planning decisions discussed later in the book.

The rules can change, but retirement changes something else too: the job of your money.

Chapter 2

Accumulation Stage vs. Distribution Stage

When the Job of Your Money Changes

During your working years, the job of your money is mostly to grow. You earn a paycheck, contribute to retirement accounts, invest, reduce debt, and give compounding time to work.

As retirement approaches, the focus changes. Instead of primarily adding money to your savings, you begin preparing to rely on those savings for income while still asking part of the portfolio to grow. The central question expands from "Am I saving enough?" to "How do I turn what I saved into reliable, spendable, after-tax income?"

That is the distribution stage. The principles that helped you build wealth still matter, but withdrawals, taxes, and market declines change how those principles must be applied.

The Accumulation Stage: Building Wealth

During the accumulation years, regular income allows you to contribute to retirement accounts and keep investing through market ups and downs. Time is usually your greatest advantage. A difficult market year can be frustrating, but future contributions and years of potential recovery may help the portfolio regain its footing.

The tax strategy during accumulation often includes deduction and deferral. Contributions to some workplace plans, traditional IRAs, or health savings accounts may reduce current taxable income, depending on the account and the rules in effect. Employer matches can also help the balance grow.[9]

These tools can be effective during accumulation, but the accumulated balance still requires an after-tax withdrawal plan. During accumulation, success is often measured by the size of the account. Retirement adds another measure: how much of that balance can support the life you planned after taxes.

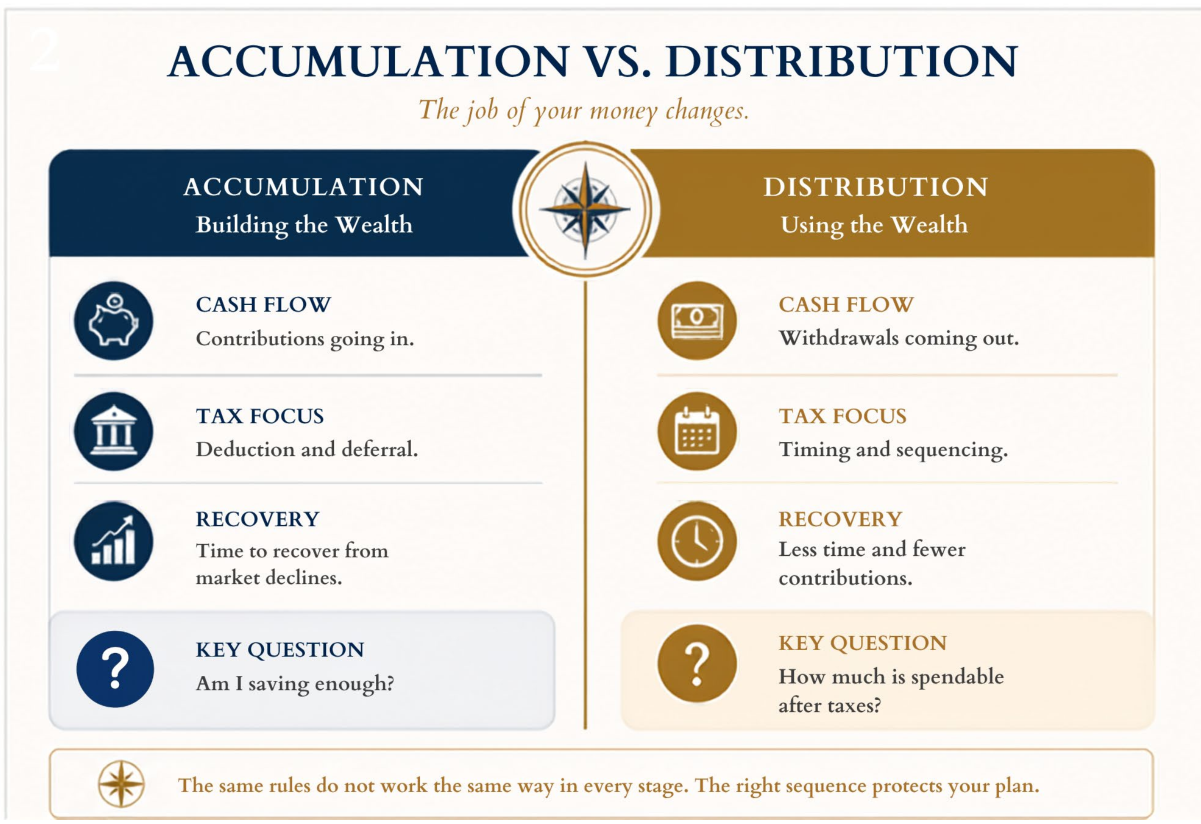
The Distribution Stage: Creating Spendable Income

During your working years, someone else issued the paycheck. In retirement, you must create it yourself. Income may come from Social Security, a pension, retirement accounts, taxable savings, or a combination of those sources.

The goal is to create sustainable, spendable income while managing the consequences that may follow. A traditional IRA withdrawal may provide the cash you need while also increasing taxable income and affecting another part of the plan. Some deductions or retirement-plan contributions available during the working years may also be reduced or disappear, depending on the family's circumstances.

You saved this money to support your retirement. The order and timing of withdrawals deserve careful attention once distributions begin.

The first step is recognizing that account type affects spending power. A dollar in a taxable account, a traditional retirement account, and a Roth account may produce a different amount of spendable income after taxes. The statement balance still matters, but it does not tell you by itself how much income the account can provide or what another withdrawal may set in motion.



Why the Same Rules Work Differently

During accumulation, money is going into the account. If markets decline, new contributions may purchase investments at lower prices. During distribution, money is coming out, and a downturn may force you to sell investments at lower prices to fund income.

Once withdrawals begin, losses can hurt more because you have less time to recover and fewer new dollars going into the account. Average returns still matter, but the order in which those returns arrive begins to matter too. This is the beginning of sequence-of-return risk.

Withdrawal order matters too, and rules of thumb are only a starting point. Using taxable accounts first, tax-deferred accounts second, and Roth accounts last may work in some situations. The right sequence depends on the account mix, income needs, taxes, and family goals.

From Saving to Sequencing

Now Sarah is approaching retirement. After contributing approximately $15,000 a year to her 401(k), she has accumulated about $800,000 by age 60.

During her working years, Sarah's job was clear: contribute, invest, stay disciplined, and let time work. Now the question has changed. She must decide how to create income, which accounts to use, and how taxes and timing may affect the plan. She still needs growth, but she also needs enough dependable cash flow so that a difficult market does not force every decision.

Sarah needs a coordinated retirement-income plan tailored to her accounts, income needs, taxes, and timing.

The Risks That Become More Important in Retirement

• **Market declines during withdrawals:** Poor returns can be more damaging when the portfolio is also funding current income.

• **Longevity:** Savings may need to support income for decades.

• **Inflation and healthcare:** Rising costs may place more pressure on the income plan over time.

These risks become harder to absorb after paychecks and regular contributions stop, so each family needs an appropriate balance of income, growth, and protection.

Key Takeaway

Accumulation is primarily about building wealth. Distribution is about turning that wealth into sustainable, spendable income. The principles that helped you save still matter, but withdrawals, taxes, and the sequence of market returns change how they must be applied.

Before moving on, list the accounts and income sources you expect to use in retirement. Note whether each is taxable, tax-deferred, or potentially tax-free. At this stage, focus on how different accounts may produce different amounts of spendable income.

Once withdrawals begin, another risk moves to the center of the plan: the order in which market gains and losses arrive.

Chapter 3

Managing Sequence of Return Risk

Understanding Sequence of Return Risk

Sequence-of-return risk becomes especially important once withdrawals begin. Poor returns early in retirement may require investments to be sold while prices are down. Once those shares are sold, fewer assets remain to participate in a later recovery, which can affect how long retirement savings last.

Consider John and Mary, who retired near the beginning of a major market downturn with $2 million saved and planned annual withdrawals of $100,000. As markets declined, they still needed income. Selling investments at lower prices left fewer shares available to participate when the market recovered.

The market eventually recovered, but the withdrawals taken while investments were down made it harder for their portfolio to recover fully. The lasting damage came from the combination of market losses and withdrawals occurring at the same time.

Why Sequence-of-Return Risk Matters

It is tempting to assume that if your average rate of return is solid over time, your portfolio will be fine. Sequence-of-return risk shows why that assumption can be dangerous in retirement. Timing matters once income is coming out of the account.

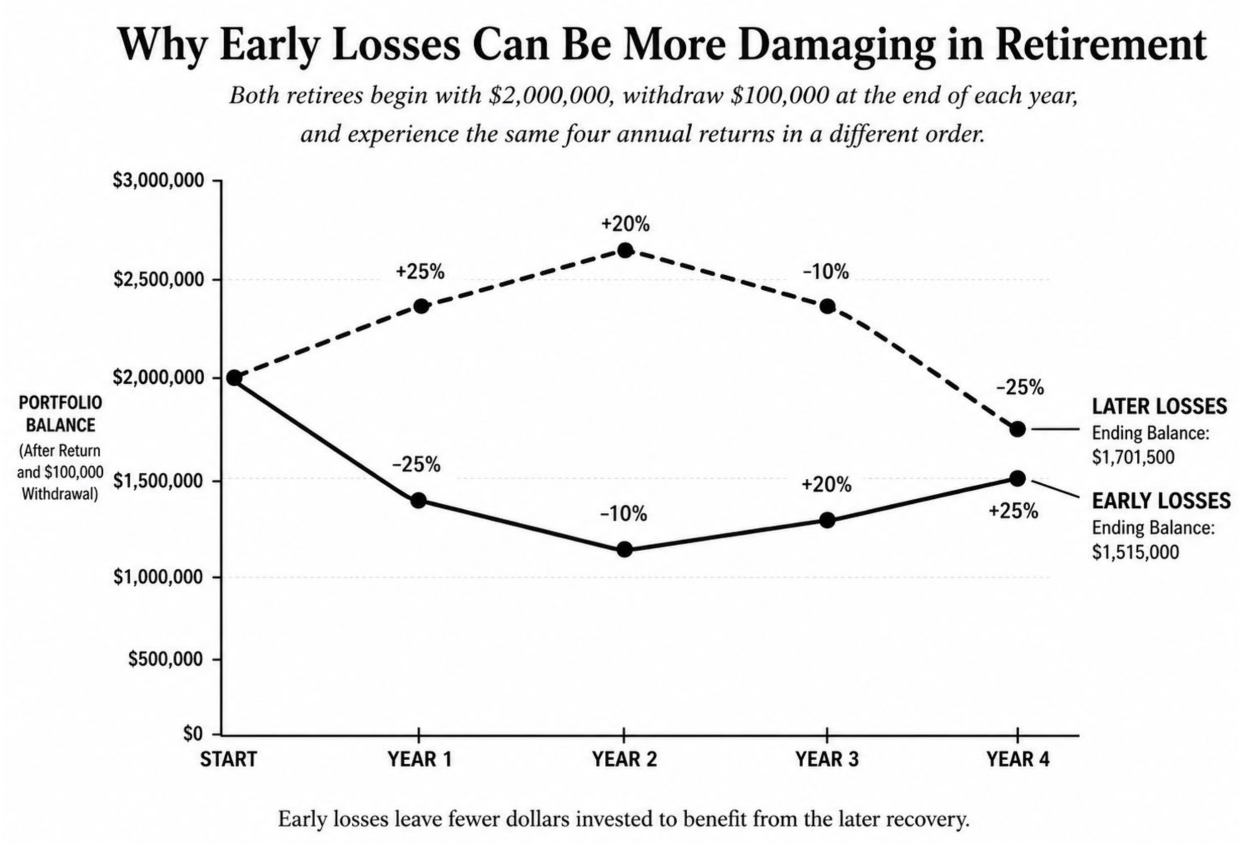


Illustration assumes a $2,000,000 starting balance, a $100,000 withdrawal at each year-end, annual returns of +25%, +20%, −10%, and −25% in opposite sequences, and no taxes, fees, or inflation. Calculations are rounded.

Two retirees could begin with the same balance, withdraw the same amount, and experience the same market returns. If one receives the losses early and the other receives them later, their ending balances can be vastly different. The average return may be the same, but the order is not—and once withdrawals begin, that difference matters.

Even a later recovery may not fully repair the damage caused by withdrawals taken while the portfolio was down. That is why sequence risk should be addressed before retirement begins, not after a difficult market has already forced the decision.

The goal is to prepare income sources in advance so a market downturn does not dictate every decision.

How to Reduce Sequence-of-Return Risk

1. Create a Cash Buffer. One way to reduce sequence-of-return risk is to set aside cash or lower-volatility assets for near-term expenses. This may help avoid selling long-term investments during a market downturn. Some families may hold one or two years of essential spending in cash, while others may hold more or less. That amount depends on spending, dependable income, taxes, liquidity needs, and the overall portfolio.

2. Keep Withdrawals Flexible. A fixed withdrawal can feel predictable, but markets are not predictable. In strong market years, the plan may support more discretionary spending. In weaker years, postponing a large purchase or reducing a flexible withdrawal may give the portfolio more time to recover. Essential expenses should still be planned for; the flexibility usually comes from discretionary spending.

3. Diversify the Portfolio. Diversification cannot prevent losses, but it may reduce the damage caused by relying too heavily on one type of investment. Review whether various parts of the portfolio have clear jobs, such as near-term income, stability, and long-term growth. The right mix depends on the family's goals, income needs, time horizon, and ability to withstand market declines.

4. Coordinate Social Security Timing. For some retirees, delaying Social Security may increase future monthly income and reduce the amount the portfolio must provide later.[10] The right decision depends on health, cash flow, and benefits available to a spouse or survivor. Taxes and other available assets matter too. Social Security timing should be integrated into the broader retirement-income plan.

The account used for income can also affect the tax result, which is another reason the withdrawal plan should be considered before markets fall.

Where an Annuity May Fit

For some retirees, certain annuities may provide contractually guaranteed income that is not directly tied to daily market performance. Other annuities may be affected by market results, depending on how the contract is structured. A nonqualified annuity may defer tax on earnings, but holding an annuity inside an IRA or employer retirement plan does not create an additional tax-deferral benefit.[11] Any guarantee depends on the terms of the contract and the claims-paying ability of the issuing insurance company.

Annuities vary considerably in structure, guarantees, costs, liquidity, surrender terms, and compensation. A commission does not automatically make a contract inappropriate, but the costs, surrender terms, liquidity limits, and reasons for the recommendation should be clear before a decision is made.[12]

Before Choosing an Annuity

Before choosing an annuity, understand how the contract is taxed, what it costs, how long your money may be restricted, and what income it guarantees. The recommendation should address a specific retirement need rather than simply add another product.

When appropriate, an annuity may help provide a more dependable source of retirement income and reduce the need to sell investments during a market downturn. It works best as one component of a broader sequence-risk strategy.

Sequence-of-return risk depends on both long-term returns and the timing of gains, losses, and withdrawals. Managing it requires enough flexibility for the portfolio to recover, supported by coordinated income, taxes, spending, and protection.

Chapter 4

Holistic Wealth Management for Retirement

"Alone we can do so little; together we can do so much."[13]
—Helen Keller

Why Coordination Matters

Retirement planning requires coordinating a series of connected decisions.

A family may have sound financial pieces already in place—investment accounts, tax returns, insurance policies, pension elections, and estate documents—without having a clear process for evaluating how one decision affects the others.

A coordinated plan connects those pieces and evaluates how one decision may affect the others. A withdrawal from an IRA can increase taxable income. That additional income can affect how much of Social Security is taxed and may affect Medicare premiums later. A pension election can shape the income available to a surviving spouse. Retirement accounts generally pass under the beneficiary designation and plan procedures, which may produce a different result from a will. Beneficiary designations and estate documents should therefore be reviewed together with an estate-planning attorney.[14]

Most families already have reliable professionals providing valuable guidance within their areas of responsibility. Coordination gaps appear when information arrives too late, responsibilities are unclear, or no one is assigned to watch the intersections. The tax professional needs advance notice when an investment sale may create a large gain. The investment advisor needs to know when a trust change should prompt a beneficiary review. The insurance professional needs to understand when a pension election could leave a surviving spouse with less income than expected.

That is the heart of holistic wealth management. The purpose is to help the appropriate professionals work from the same facts and coordinate their recommendations before action is taken.

One Decision, Several Consequences

Consider a retired couple who want to take an additional IRA withdrawal to help a child purchase a home. The gift may still be the right family decision. Before the money moves, however, they should consider how the withdrawal may affect taxable income, Social Security taxation, and future Medicare premiums. It may also reduce room for a Roth conversion, change future required distributions, or leave less available for the surviving spouse.[15]

The financial world is usually presented in pieces. Investments are discussed in one meeting. Taxes are discussed after the year ends. Insurance has its own file. Estate documents may sit in another drawer. Holistic planning brings those pieces into the same conversation long enough to understand the full cost, timing, and tradeoffs of a decision.

What Coordinated Planning Requires

Coordination begins with shared facts. The professionals involved can evaluate a decision more effectively when they are working from the same account values, assumptions, and understanding of the family's priorities. The current tax return, income sources, account statements, beneficiary forms, estate documents, insurance information, and planned transactions all matter because one missing fact can change the recommendation.

It also requires clear responsibility. Someone must identify which professionals should be involved, make sure the right information reaches them, track unresolved questions, and bring the decision back to the larger plan. Clear accountability keeps strong advice connected to the broader retirement plan.

Match the professionals involved to the decision being considered. A routine portfolio rebalance may involve only the investment advisor. A beneficiary update may involve the custodian and, when appropriate, the estate-planning attorney. The purpose is to involve the right people at the right time while keeping the process efficient.

Timing matters as much as expertise. A tax professional who learns about a Roth conversion after December 31 may be able to report it correctly but cannot recover a planning window that has already closed. An estate attorney who receives outdated beneficiary information may prepare documents that do not reflect how the accounts will actually pass. Coordination is most valuable while choices still exist.

The Areas That Need to Work Together

A coordinated retirement plan brings several areas of a family's financial life into the same conversation. Investment decisions should support income needs, liquidity, taxes, time horizon, and the family's ability to withstand risk. Social Security and pension choices should be evaluated alongside healthcare needs and the income available to a spouse or survivor.

Tax planning should occur before withdrawals, Roth conversions, capital gains, charitable gifts, and other decisions become permanent. Estate documents, account titles, and beneficiary designations should reflect the family's current intentions, while insurance and long-term-care planning should address risks that could interrupt income or reduce available resources.

Each area has a distinct purpose, and each can influence the others. The value of coordinated planning comes from recognizing where one decision may affect another and making sure the right information reaches the right professional before the family acts.

How Coordination Helps With Taxes

Taxes are rarely a stand-alone decision in retirement. A withdrawal, Roth conversion, capital gain, or charitable gift can change taxable cash flow and affect another part of the plan. Pension and Social Security choices can do the same. After the first spouse dies, the survivor may eventually face a different filing status and a different tax picture even when many household expenses remain.

Proactive tax planning weighs taxes alongside cash flow, risk, timing, and family goals. It means looking ahead for planning windows, understanding which decisions are connected, and reducing avoidable surprises when possible. Coordination gives the family a better chance to decide not only whether a strategy makes sense, but also which year, which account, which professional, and what other cost or consequence the decision may trigger.

A decision can be technically correct and still be poorly timed. Ask two questions: “Can we do this?” and “What else changes if we do it now?”

When One Question Affects the Whole Plan

Robert is 64 and recently retired. Elaine is 62 and plans to work for two more years. Their first question is whether Robert should begin Social Security. That decision affects how much they may need from taxable savings or an IRA, whether a Roth conversion deserves consideration, and whether additional income could affect future Medicare premiums.

Their pension choice affects more than the monthly payment. If Robert selects a single-life benefit, Elaine may receive less income if he dies first. A joint-and-survivor option may provide more protection but reduce the payment they receive while both are living. Whether life insurance policies purchased years ago still fill the gap depends on the death benefit, premiums, ownership, and current purpose of the coverage.

Their estate documents and beneficiary designations must reflect the family they have today. If an account names an outdated beneficiary, a well-drafted will may produce a different result from what they expect.

Now consider the survivor years. Assume that after both have retired, Robert and Elaine receive \$42,000 in combined Social Security benefits, \$30,000 from a pension, and \$28,000 from retirement-account withdrawals—a total of \$100,000 in annual household income. Household Social Security income may decline because a surviving spouse generally receives the higher applicable benefit rather than continuing to receive both spouses’ monthly benefits. Her income may decline, but the tax thresholds available to a single filer may also be lower than those available to a married couple filing jointly.[16]

The exact result will depend on Elaine’s income sources, deductions, pension election, Social Security benefits, account withdrawals, Medicare status, and the law in effect at the time. The purpose is to project the survivor’s position before the pension, Social Security, withdrawal, insurance, and legacy decisions become permanent.

Robert and Elaine need one roadmap showing how each decision affects the others and who is responsible for the next step.

Coordinate Before You Optimize

Strong retirement decisions begin with the full picture. A pension choice should be evaluated with survivor income in mind. A tax strategy should be considered alongside future distributions, Medicare-related costs, and the income available in later years. An investment decision should reflect both its return potential and the liquidity the family may need along the way.

Coordination brings those tradeoffs into view before action is taken. It helps the family gather the relevant facts, involve the appropriate professionals, clarify responsibility, and keep each decision aligned with the broader retirement plan. The result is better timing, clearer follow-through, and enough flexibility to adjust as life and the law change.

Clarity before action is what turns a collection of financial decisions into one coordinated retirement plan.

Chapter 5

One of the Biggest Retirement Decisions: Lump Sum or Pension?

A pension election may be one of the most consequential—and least reversible—decisions a family makes at retirement. The best answer depends on the job the pension must perform, including income, liquidity, survivor protection, and legacy goals.

Bill and Linda are both 63. Bill's pension paperwork gives them three choices. He can take the lump sum. He can choose the higher monthly payment for the rest of his life. Or he can accept a lower payment that may continue to Linda if he dies first.

Bill sees the lump sum and thinks about control. Linda sees the monthly payment and thinks about security. Neither reaction is wrong. The decision will shape how they live in retirement. It may also determine what Linda receives if Bill dies first and what remains for their family later.

Once the monthly payments begin or the money leaves the plan, the choice may be difficult to undo. Bill and Linda should begin by defining the job the pension must perform.

Understanding the Lump Sum Option

A lump sum gives Bill and Linda control over the money. They can decide how it is invested, when withdrawals are taken, and who may receive what remains. It can also provide access for healthcare, housing, debt, or another large expense. If assets remain after years of spending, taxes, and market results, they may pass to heirs or charity.

They also have more control over when money comes out, which may create tax-planning opportunities from one year to the next. Access to the money still requires a sustainable withdrawal plan. Every withdrawal reduces what remains for later.

That control comes with responsibility. The account will rise and fall with the market. Bill and Linda must decide how much they can withdraw, and the money may need to last for decades. Poor returns early in retirement can make that job harder. They also must stay disciplined when markets decline and the balance moves in the wrong direction.

A lump sum is a planning tool whose value depends on how effectively it supports the family's goals.

Understanding Monthly Pension Payments

Monthly pension payments give Bill and Linda structure. The single-life option may provide the highest monthly income, but that payment may stop when Bill dies. The joint-and-survivor option generally starts with a lower monthly benefit under many plans, but it may continue some or all of the payment to Linda.[17]

Linda's needs matter because many household expenses will continue if Bill dies first. Housing, insurance, and healthcare do not disappear simply because one pension payment stops. The survivor choice should be considered with their Social Security, life insurance, and other savings.

A monthly pension removes much of the day-to-day investment responsibility. Depending on the plan terms, it may also help cover essential expenses for life. The tradeoff is flexibility. They usually cannot reach into the pension for a large expense, and little may remain for heirs. If the plan has no cost-of-living adjustment, the payment may also lose purchasing power over time. Even so, dependable income can be extremely valuable when it fits the rest of the plan.

Bill and Linda Weigh the Tradeoffs

Bill and Linda's plan illustrates how different the choices can look when actual numbers are placed beside them. Their hypothetical pension offers a $650,000 lump sum, a single-life benefit of $4,200 per month for Bill's lifetime, or a joint-and-survivor benefit of $3,650 per month while either spouse is living. The monthly amounts are shown before taxes, and this simplified example assumes no cost-of-living adjustment. Actual pension options, survivor percentages, lump-sum values, tax treatment, and payment terms vary by plan.

The $4,200 single-life benefit provides the most monthly income while Bill is living, but that income may stop at his death. The $3,650 joint-and-survivor option provides less income while they are both alive but may offer Linda greater income protection if Bill dies first. The $650,000 lump sum gives them more control and access to the money, but it also transfers the responsibility for investing the assets, creating income, managing withdrawals, and making the money last.

None of the three numbers answers the decision by itself. Bill and Linda have to consider which option best supports their essential income needs, Linda's survivor income, liquidity, taxes, longevity, and legacy goals. Their next step is to compare the complete plan terms rather than simply choosing the largest payment or account value.

THE THREE PENSION CHOICES

LUMP SUM

- ✓ Full control and access to your money
- ✓ Investment responsibility is on you
- ✓ Potential to leave a larger legacy
- ✓ Market risk is on you
- ✓ Tax treatment depends on how the lump sum is handled

SINGLE-LIFE PENSION

- ✓ Higher current monthly income (in many plans)
- ✓ Payments may end at the participant's death
- ✓ Limited liquidity
- ✓ Minimal legacy value
- ✓ Taxed as ordinary income as received

JOINT-AND-SURVIVOR PENSION

- ✓ Continued payments to your surviving spouse
- ✓ Lower current monthly income (in many plans)
- ✓ Limited legacy value
- ✓ Less direct investment responsibility
- ✓ Taxed as ordinary income as received

The right choice depends on the job the pension needs to do.

Consider your goals, family needs, cash flow, health, survivor protection, and other assets.

Before You Elect
Before making a pension election, confirm the plan-specific facts and the job the pension must perform:

- What monthly income does each available option provide?
- What amount or percentage continues to a surviving spouse?
- Is there a cost-of-living adjustment or other inflation protection?
- How much dependable income is needed for essential expenses?
- How do health, longevity, and survivor needs affect the choice?
- How much liquidity may the household need outside the pension?
- How important is leaving assets to heirs or charity?
- What taxes, withholding, rollover instructions, and election deadlines apply?
- Are there employer securities or other plan features that should be reviewed before money moves?
- Which financial, tax, plan, or legal professional should review the election before it becomes difficult or impossible to reverse?

Taxes, Rollovers, and Company Stock

Pension payments are generally taxable when received. If the employee made after-tax contributions, part of each payment may be tax-free.[18] State tax treatment varies.

A lump-sum distribution may also be taxable unless it is properly rolled into another eligible retirement account. A direct rollover preserves tax deferral and avoids the withholding that commonly applies when the payment is made to the employee. An indirect rollover may require the employee to replace withheld funds and complete the rollover within the applicable deadline.[19]

Employer stock deserves special attention before anything moves. When employer securities are distributed from a qualified retirement plan, NUA rules may allow some appreciation to receive long-term capital-gain treatment when the shares are sold. The rules are technical and do not apply to everyone. Rolling the shares into an IRA generally eliminates that opportunity. If company stock is inside the plan, ask before you roll.[20]

The actual pension documents matter. Survivor percentages, cost-of-living provisions, payment choices, deadlines, and rollover instructions can vary from one employer to another. Bill and Linda do not make the election from the summary page alone. They request the complete plan terms and compare the monthly amounts, survivor percentage, cost-of-living provisions, liquidity, taxes, and effect on their other income before choosing.

Their decision also reflects a much larger change in retirement. As traditional pensions have disappeared, more of the responsibility for investing assets and creating income has shifted from employers to workers.

Chapter 6

The Disappearing Pension

"The future ain't what it used to be."[21]
—Yogi Berra

For many families, retirement once came with an income formula. After years of service, a traditional pension calculated the benefit and produced a monthly check. The system was not perfect, and pensions were never available to every worker, but they answered one important question: Where will the retirement paycheck come from?

Today, more workers arrive at retirement with a 401(k), an IRA, taxable savings, and Social Security instead of one dependable pension check. Those resources may provide greater flexibility and control while leaving the family responsible for building an income plan. The modern retirement system gives families an account balance and a homework assignment.

Much of the responsibility for creating retirement income shifted from employers to retirees. Employers once handled more of the work involved in funding the plan, investing its assets, calculating the benefit, and producing the monthly payment. Now retirees must make many of those decisions themselves—including how the money is invested, how much to withdraw, which accounts to use, how taxes will be withheld, and how income may continue for a surviving spouse. Greater control can be valuable, but it also creates more decisions to coordinate and more opportunities for costly mistakes.

An Income Formula vs. an Account Balance

A traditional pension is generally a defined benefit plan. The monthly benefit is calculated using a formula that may consider compensation, years of service, and age at retirement. Depending on the plan terms and payout option selected, the pension may provide income for the retiree's lifetime and, in some cases, for a surviving spouse.

A 401(k), 403(b), or similar employer plan works differently. It is generally a defined contribution plan in which the employee, the employer, or both contribute to an individual account. The balance changes with contributions, investment performance, and fees. At retirement, however, the account owner must still decide how much to withdraw, when to withdraw it, and how to make the money last.

An IRA is an individual retirement arrangement rather than an employer-sponsored defined contribution plan, but it creates a similar retirement challenge: the retiree must turn the account balance into income.

The contribution may be defined; the retiree still must design the paycheck.

Who Carries the Retirement Responsibility?

TRADITIONAL PENSION	ACCOUNT-BASED RETIREMENT
Plan calculates the monthly benefit.	Retiree must create income from an account balance.
Plan manages the assets supporting the benefit.	Retiree carries more investment responsibility.
Lifetime payments may reduce longevity risk.	Retiree must manage withdrawals and make the money last.
Survivor income depends on the payout option.	Survivor planning depends on accounts, beneficiaries, and the income plan.
Taxes generally follow the pension payments.	Tax timing depends on which accounts are used and when.

Why Pensions Became Less Common

Several forces contributed to the decline of traditional pensions in the private sector. These plans created long-term funding obligations that could become more difficult when markets weakened, interest rates changed, or retirees collected benefits for longer periods. Regulatory and administrative requirements also added cost and complexity.

The shift is visible in federal labor data. Among private-industry workers, access to defined benefit plans fell from 20 percent in 2010 to 15 percent in 2023, while access to defined contribution plans rose from 59 percent to 67 percent over the same period.[22] For many workers, the retirement benefit increasingly became an individual account rather than an employer-promised monthly income.

Account-based plans gave workers greater portability and more control over their retirement savings. They also transferred more of the responsibility for creating retirement income to the individual. Retirees must now make decisions about investing, withdrawal timing, tax withholding, and how several accounts will work together to produce a dependable paycheck. The central tradeoff is greater flexibility paired with greater personal responsibility.

How the Responsibility Shifted to Employees

1. Investment Control. A 401(k) participant chooses how the account is invested. That flexibility can be valuable, but it also means the employee carries more responsibility for diversification, fees, and market risk.

2. Creating the Retirement Paycheck. A 401(k) or IRA can offer flexibility while leaving the retiree responsible for deciding how much to withdraw and how to make the money last. Poor market returns can become more damaging once withdrawals are already coming out.

3. Portability. Workers can usually take an employer account with them when they change jobs. That can be helpful, but it can also leave a family with several accounts and no clear plan for how those accounts should work together in retirement.

More control also means more responsibility. A large account balance may look reassuring, but the retiree still must determine how much can be spent each month and how the plan will respond if markets decline early. The money still must be turned into income that lasts.

The Public-Sector Exception

Traditional pensions remain more common for some public workers, including teachers and first responders.[23] For those families, the pension details still matter. That income may provide a valuable foundation, but the plan terms must be understood.

Funding and survivor benefits can vary. So can cost-of-living provisions, healthcare benefits, and the need for supplemental savings.

Why the Shift Is Also a Tax Issue

Modern retirement income often comes from accounts taxed in different ways. Traditional retirement withdrawals are generally taxable, while qualified Roth withdrawals may be tax-free. The key point is that the account used—and the year it is used—can change the tax result.

A better question is, "From which account, in which year, and with what tax result?" The source and timing of income can affect both taxes and spendable cash flow.

The Future of the Retirement Paycheck

The future retirement paycheck may come from Social Security, a pension when available, and several personal accounts. Those sources become an income plan when the retiree coordinates withdrawals, taxes, timing, and longevity risk. As traditional pensions became less common, responsibility for creating the paycheck shifted to the retiree.

Once the retirement paycheck must be built from several accounts, the next challenge is understanding how each dollar will be taxed.

Chapter 7

Understanding the Tax System

Once retirement income comes from several different places, the next question is not simply how much money you have. It is how each dollar will be taxed.

During the working years, taxes often feel automatic. A paycheck arrives, taxes are withheld, and a return is filed. Retirement changes that rhythm. Instead of relying primarily on one paycheck, retirees may draw from accounts governed by different tax rules. Pension and traditional IRA distributions may be taxable, Roth and HSA withdrawals may receive different treatment, and brokerage accounts follow another set of rules.

Retirement dollars can receive very different tax treatment, and the source of income may also affect Social Security taxation or other income-based costs. Know what kind of dollar you are spending before the money moves.

Three Ways Retirement Dollars May Be Taxed

TAX TREATMENT	COMMON EXAMPLES
Ordinary income	Pension payments, traditional retirement withdrawals, taxable interest
Potentially preferential treatment	Long-term capital gains and qualified dividends
Potentially tax-free	Qualified Roth withdrawals[24] and HSA withdrawals for qualified medical expenses

Ordinary Income: The First Category to Understand

The taxable portion of pension payments and traditional retirement-account withdrawals is generally taxed as ordinary income.[25] So are wages and most taxable interest. Depending on the rest of the return, part of Social Security may be taxable too.

By contrast, gains from selling an investment held for more than one year in a brokerage account may qualify for lower long-term capital-gains rates. The difference comes from how the accounts are taxed: traditional retirement contributions may have provided an upfront tax deduction, while the growth remained tax-deferred until the money was withdrawn.

Suppose you take extra money from an IRA for a car, a home project, or a family gift. The purchase may be worthwhile. But the withdrawal can push the next dollars into a higher bracket. It can also affect other calculations.

Your marginal rate applies to the next layer of income. Your effective rate is the average across the whole return. Not every dollar is taxed at the highest rate. Know the tax cost before deciding how much to take.

Capital Gains and Qualified Dividends

Investments held in a taxable brokerage account are not taxed the same way as withdrawals from a traditional retirement account. When an investment is sold for more than its tax basis, the tax generally applies to the gain—not the full amount received from the sale. The length of time the investment was held also matters. A gain on an asset held for one year or less is generally taxed as ordinary income, while a gain on an asset held for more than one year may qualify for more favorable federal rates.

Dividends introduce a similar distinction. Qualified dividends may receive the preferential federal treatment available to many long-term capital gains, while nonqualified dividends are generally taxed as ordinary income. A lower-income year may create an opportunity to sell an appreciated investment more efficiently, but the gain and dividend income still become part of the broader tax return. State taxes and other special rules may also apply.

The practical questions are: How much of the sale is gain? How long have I owned the investment? What else will appear on my tax return this year?

When Social Security Becomes Taxable

Social Security taxation catches many retirees by surprise because the benefit is not simply taxable or tax-free. The IRS looks at a measure often called combined income or provisional income. In broad terms, it includes other income, tax-exempt interest, and one-half of Social Security benefits.

A traditional IRA withdrawal can have a larger effect than expected. The withdrawal may be taxable. It may also cause more of the Social Security benefit to be included in taxable income.

Up to 85% of the benefit may become taxable, but that does not mean the benefit is taxed at an 85% rate.[26] Qualified Roth withdrawals do not add taxable income in the same way. Tax-exempt interest may still count in the calculation.

The HSA Hat Trick

A Health Savings Account, or HSA, can provide three tax advantages for eligible families. Contributions may be deductible or made with pre-tax dollars. Growth inside the account can be tax-free. Withdrawals for qualified medical expenses can also be tax-free.

That is the HSA hat trick: a tax benefit going in, tax-free growth along the way, and tax-free withdrawals for qualified medical expenses.

The important qualifier is eligibility. HSAs are generally connected to high-deductible health plans, and other requirements must be met. Medicare enrollment generally ends eligibility to make new HSA contributions, although HSA dollars already accumulated may remain available and withdrawals for qualified medical expenses may continue to be tax-free. Because Medicare coverage may begin retroactively in some circumstances, individuals approaching Medicare should confirm their enrollment effective date, HSA contribution cutoff, and any employer or payroll contributions with their tax professional and benefits administrator. Preserving eligible HSA dollars for future medical costs may provide a useful source of tax-free spending in retirement.[27]

Managing Tax Brackets Without Letting Taxes Run the Plan

The federal income tax system is progressive. Income is taxed in layers. Moving into a higher bracket does not cause every dollar to be taxed at the higher rate. Only the next layer is taxed at that rate.[28]

The key is understanding that the next dollar may be taxed differently from the dollars that came before it.

Bracket management coordinates the timing of taxable income to reduce avoidable spikes and preserve flexibility. A lower-income year may create room for a partial Roth conversion or a planned capital gain, depending on the family.

Rules of thumb are starting points. The family's income, accounts, goals, and current law determine the right order, and a strategy that works one year may not work the next. The goal is to reduce avoidable taxes while keeping the broader retirement plan in view.

The investment may be the same. The account around it can change the tax result. The next step is understanding how taxable accounts, traditional IRAs, Roth IRAs, and HSAs each fit into the plan.

Chapter 8

Types of Investment Accounts

Understanding how retirement dollars are taxed is only half the picture. The next question is where those dollars live.

The same investment can create a different after-tax result depending on the account that holds it.

Where you own an investment can matter as much as what you own. Most families collect accounts over time rather than build them into one coordinated plan. By retirement, they may own several good accounts without being clear about what each one is supposed to do.

1. Taxable Accounts

Taxable accounts may include individual or joint brokerage accounts, trust accounts, and bank accounts. They are funded with after-tax dollars and usually provide ready access to the money. Ordinary taxable brokerage and bank accounts generally do not have retirement-plan contribution limits or age-based required distributions.

The tradeoff is current taxation. Interest is taxable when earned. Dividends may receive qualified or nonqualified treatment. A capital gain is recognized when an investment is sold for more than its tax basis. The owner still has some control over timing because a gain usually is not realized until the sale occurs.

That access can be useful when retirement spending is uneven. The owner can raise cash without waiting for a pension payment or following retirement-plan withdrawal rules. But selling an appreciated investment may still create a tax bill, so access and after-tax cost both matter.

Municipal bonds, CDs, and Treasury securities may all have a place in a taxable account, but they solve different problems. A CD may support a known short-term expense. Municipal-bond interest may receive federal and/or state tax-favored treatment depending on the bond and taxpayer. U.S. Treasury interest is federally taxable but generally exempt from state and local income tax.[29] The right choice depends on why the money is being held, not simply the stated yield.

2. Tax-Deferred Accounts

Tax-deferred accounts include traditional IRAs, 401(k)s, 403(b)s, and similar retirement plans. Contributions may reduce current taxable income, depending on the plan and the taxpayer's circumstances. Investments can grow without current tax being reported each year.

Tax-deferred is not tax-free. When pretax money comes out, the taxable portion is ordinary income. These accounts may also shelter investments that would otherwise create current taxable interest or frequent taxable activity.

Trading inside the account does not create current taxable gains on that year's tax return. That can make the account easier to manage while the money remains invested. The convenience today does not erase the tax consequence later.

Tax deferral can be valuable, especially during high-income working years, but the balance still needs an after-tax withdrawal plan.[30]

3. Roth and Other Tax-Advantaged Accounts

Roth IRAs and Roth workplace accounts are funded with after-tax dollars. There is no current deduction for the contribution, but qualified withdrawals may be tax-free. That can create useful choices later when the family needs income without adding another taxable withdrawal.[31]

Roth accounts may be considered for long-term growth when the investment risk fits the plan. The account wrapper changes the tax treatment; the underlying investment risk remains. It cannot turn a concentrated holding into a diversified portfolio or rescue a poor investment decision.

Roth dollars can be especially useful in a year when another traditional-account withdrawal would create an unwanted tax spike. That choice may become more valuable later in retirement or after the first spouse dies.

An HSA has a special job. When the eligibility and withdrawal rules are met, it can provide tax-free money for qualified healthcare expenses. Its value comes from the specific role it can play in funding qualified healthcare expenses. Eligibility to make new contributions is separate from the ability to use HSA dollars already accumulated.[32]

Together, these accounts provide different combinations of access, tax timing, and future flexibility.

How Different Accounts Work in Retirement

Understanding tax treatment, access, withdrawals, and planning considerations.

	TAXABLE ACCOUNTS	TAX-DEFERRED ACCOUNTS	POTENTIALLY TAX-FREE ACCOUNTS
HOW MONEY GENERALLY ENTERS	• After-tax dollars • No upfront tax break • Includes brokerage, savings, and non-retirement accounts	• Pre-tax dollars • Contributions may be tax-deductible • Includes traditional IRAs, 401(k)s, 403(b)s, and most pensions	• After-tax dollars • No upfront tax deduction • Includes Roth IRAs, Roth 401(k)s, and Health Savings Accounts (HSAs)
HOW GROWTH IS GENERALLY TREATED	• Growth is taxable each year on interest, dividends, and realized capital gains • Unrealized gains are not taxed until sold	• Growth is tax-deferred • No annual tax on dividends, interest, or gains • Taxes are due when money is distributed	• Growth is generally tax-free • No annual tax on dividends, interest, or gains • Qualified growth remains tax-free when withdrawn
HOW WITHDRAWALS ARE GENERALLY TREATED	• You withdraw after-tax dollars • Earnings may be taxed as ordinary income, capital gains, or dividends • Basis (your contributions) is not taxed again	• Withdrawals are generally taxed as ordinary income • Early withdrawals before age 591/2 may face an additional 10% penalty, with some exceptions	• Qualified withdrawals are generally tax-free • Early withdrawals may be taxed and could face a 10% penalty, with some exceptions
ACCESS & FLEXIBILITY	• Most flexible • No age restrictions • Money is available when needed	• Access typically limited before age 591/2 • Required Minimum Distribution (RMDs) generally apply in retirement	• Roth IRAs: contributions available anytime; earnings follow specific rules • HSAs: triple tax advantage with healthcare use
COMMON PLANNING CONSIDERATIONS	• Manage taxable income and capital gains • Tax-loss harvesting opportunities • Location for income-producing and highly liquid assets	• Strategic withdrawal planning • RMD timing and tax bracket management • Consider Roth conversions in lower-income years	• Maximize qualified withdrawals • Coordinate with other tax-free income sources • Protect long-term tax-free growth

NO SINGLE ACCOUNT TYPE IS "BEST."

The goal is to use all three wisely—so the right money is in the right place at the right time for the right reason.

Why the Location Matters

Asset allocation describes what the household owns. Asset location describes which account holds each investment. Allocation manages the investment mix. Location manages the tax wrapper around that mix.

Different investments create different tax consequences depending on the account holding them. That does not mean there is one placement chart that works for every family. The purpose of the money, the need for access, and the risks of the investment still come first.

Liquidity can override pure tax efficiency. Money needed soon should not be trapped in an account or investment that is difficult or costly to reach. Taxes are only one part of the decision. Risk, quality, simplicity, and time horizon still matter.

The best location can also change as the family moves through retirement. Money that once had a long-time horizon may eventually need to support income. Asset location should be reviewed as the job of the money changes.

A good investment in the wrong account can create unnecessary tax drag, but a poor investment in the right account is still a poor investment. Private investments may also create different tax reporting or liquidity concerns, so the investment and the account holding it must be reviewed together.[33]

Asset location aligns each investment and account with the family's tax, liquidity, risk, and time-horizon needs. Better asset location can improve tax efficiency without increasing risk or adding a new product. Any change should improve the broader retirement plan—not merely create the appearance of tax efficiency.

Once you understand where your retirement dollars are held, another question comes into focus: What can each balance actually provide after taxes? A traditional IRA and a Roth IRA may show the same balance on a statement, but they do not create the same amount of spendable retirement income.

Chapter 9

The Silent Partner in Your Retirement Accounts

A traditional IRA and a Roth IRA can show the same balance on a statement, but they do not create the same amount of spendable retirement income.

When I hosted in-person seminars, I had a question I loved to ask. I would say, “Raise your hand if you own an IRA.” Nearly every hand would go up. Then I would ask, “Do you own that IRA 100 percent, or do you have a partner?” The answer was often the same: “I own it 100 percent.”

That gave me an opportunity to introduce the silent partner. If the money is held in a traditional IRA, 401(k), 403(b), or another tax-deferred account, the IRS may still have a future claim when the money is withdrawn. The point is to understand how much of the account may become spendable income and how much may eventually go to taxes. Tax-deferred accounts can be valuable because they may reduce taxable income during the working years and allow investments to compound without annual taxation inside the account. In exchange, withdrawals are generally taxed later. The tax bill was postponed, not erased. The IRS agreed to wait.[34]

Account Balance Versus Spendable Income

A traditional IRA or 401(k) statement shows the full market balance, but it does not show the taxes that may be owed when money is withdrawn. A Roth statement also shows the full balance, although the statement alone does not confirm that every future withdrawal will qualify as tax-free. A $1 million traditional IRA is therefore not equivalent to a $1 million Roth IRA. The balances may look identical, but the amount available to spend after taxes may be different.

The government’s future share depends on tax rates, withdrawal timing, filing status, and the household’s other income. The IRS may not attend your retirement party, bring a gift, or eat the cake, but when tax-deferred money comes out, the silent partner may still be waiting.

Your Account Statement Shows the Balance. It Does Not Show the Final Tax Bill.
Three different numbers. Only one is what you can use.
RETIREMENT INVESTMENT ACCOUNT STATEMENT SUMMARY
Statement Date July 15, 2026
TOTAL ACCOUNT BALANCE
$1,000,000
This is your total account value before taxes.
ACCOUNT SNAPSHOT
Cash & Cash Investments $ 50,000
Stocks $ 650,000
Bonds $ 250,000
Mutual Funds / ETFs $ 50,000
TOTAL $1,000,000
BEHIND THAT BALANCE ARE TWO OTHER NUMBERS
1
WHAT YOU CAN USE
Your spendable retirement resources
The portion available to meet your needs, goals, and lifestyle—after taxes and other considerations.
2
THE NUMBER YOU SEE
Displayed account balance
The balance shown on your statement before taxes. It may not represent the amount ultimately available to spend.
3
THE UNKNOWN AMOUNT
Future tax obligation not yet determined
The amount that may be owed in taxes in the future is unknown and depends on many factors.
THE SILENT PARTNER
TAXES
Taxes don't appear on your statement, but they will share in the outcome if you don't plan ahead.
Plan today. Reduce surprises tomorrow.
THE GOAL: MAXIMIZE WHAT YOU KEEP, USE, AND LEAVE BEHIND.

The Seed, the Harvest, and the Tax Bill

I had another question I liked to ask at seminars: "If you were a farmer and you could choose between being taxed on the seed or on the harvest, which would you choose?" Most people answered quickly: "Tax me on the seed." The seed is smaller. The harvest is what you hope becomes much larger after years of growth and time.

That is the basic contrast between traditional and Roth retirement accounts. With a traditional account, you may receive a tax benefit on the seed. The money grows tax-deferred, and withdrawals are taxed later. With a Roth account, taxes are paid before the money goes in—or at conversion. If the rules are met, qualified withdrawals may come out tax-free.

The better choice depends on the current tax cost, future expectations, available cash to pay the tax, and the broader retirement plan.

Seed vs. Harvest: Traditional vs. Roth

Account Type	When Taxes Are Generally Paid	Retirement Impact
Traditional IRA / 401(k)	Later, when money is withdrawn	Taxable withdrawals are generally taxed as ordinary income and may affect tax brackets, Social Security taxation, and Medicare premiums.[35]
Roth IRA / Roth 401(k)	Before contribution or at conversion	Qualified withdrawals may provide tax-free income and may create flexibility in later retirement.[36]

Traditional Accounts: Tax Break Now, Tax Bill Later

Traditional accounts may provide a valuable current tax benefit and allow investments to grow tax-deferred. The tradeoff arrives later, when withdrawals are generally included in taxable income and required distributions may eventually place income on the tax return whether or not the retiree needs the cash.[37] The IRS eventually stops waiting, which makes an after-tax withdrawal strategy an important part of the retirement plan.

Roth Accounts: Tax Paid First, Flexibility Later

Under current law, Roth IRAs and Roth accounts within employer plans do not require lifetime distributions for the original owner.[38] Holding both traditional and Roth dollars can give a family more than one source to draw from when income is needed and may provide greater flexibility in managing taxable income throughout retirement.

A Roth conversion may create taxable income in the year of conversion, depending on the amount converted and any after-tax basis in the account.[39] The decision should consider the family's current tax situation, expected future income, available cash to pay the tax, and the effect on the broader retirement plan. The years after retirement but before required distributions begin may provide a useful window to recognize some income deliberately and create additional flexibility later.

Before a Roth Conversion

Before converting retirement assets, review the full effect of the decision:

- What does a current federal and state tax projection show?
- Does the IRA contain after-tax basis that could affect the taxable amount?
- Could the additional income affect Medicare-related costs, Marketplace assistance, or another income-sensitive rule?
- Is outside cash available to pay the tax without weakening the retirement plan?
- Will withholding or estimated-tax payments need to be adjusted?
- Do any applicable Roth holding-period or distribution rules matter to when the money may be needed?
- How could the decision affect a surviving spouse, future required distributions, beneficiaries, or legacy goals?
- Which tax and financial professionals should review the conversion before it is completed?

Tax planning should also consider what happens after the original owner dies. A traditional retirement account may continue to create taxable income after it passes to a beneficiary, and the result depends on who inherits the account and the rules in effect at the time. Withdrawal and conversion decisions should therefore be considered alongside the family's income needs and legacy goals.[40]

Chapter 10

SECURE Act 1.0 vs. SECURE 2.0 – Who's Really Being Secured?

"Change is the law of life. And those who look only to the past or the present are certain to miss the future."[41]
—John F. Kennedy

The Word "Secure" Sounds Comforting

Whenever a retirement law uses a name like SECURE, my first question is simple: secure for whom? The title is only the starting point. I want to know what changed and where the tax bill moved.

SECURE Act 1.0 and SECURE 2.0 both included provisions that can help savers. They expanded access, delayed certain required withdrawals, and added new Roth and savings opportunities. But the first law also changed the inheritance rules in a way that can make taxes arrive faster for many families.

The illustration on the next page highlights the major changes introduced by the SECURE Act and SECURE 2.0 and shows how those changes can affect retirement and legacy planning.

HOW THE SECURE ACTS
CHANGED RETIREMENT PLANNING

Two major laws reshaped retirement saving, distributions, and inheritance rules.

2019 SECURE Act

RMD starting age increased.
The original SECURE Act increased the starting age for required minimum distributions from 70½ to 72.

Retirement-plan access expanded.
The law broadened access and created additional opportunities for some workers and savers.

The Stretch IRA ended for many beneficiaries.
Many nonspouse beneficiaries now face a 10-year distribution window.

2022 SECURE 2.0 Act

RMD ages changed again.
Generally age 73 for those born 1951-1959 and age 75 for those born in 1960 or later.

Lifetime RMDs ended for employer-plan Roth accounts.
Designated Roth accounts are no longer subject to RMDs during the original owner's lifetime.

Catch-up contribution rules changed.
New provisions affect certain older workers and some higher-income participants.

A 529-to-Roth IRA rollover option was added.
Certain unused 529 funds may move to the beneficiary's Roth IRA, subject to annual and lifetime limits and other requirements.

WHEN THE RULES CHANGE, UPDATE THE ROUTE.
Retirement planning should be reviewed as laws, income needs, and family circumstances change.

SECURE Act 1.0 Changed the Legacy Conversation

SECURE Act 1.0 became law in 2019. It moved the required minimum distribution age later and expanded plan access for some workers. But the change that matters most here was the loss of the Stretch IRA for many non-spouse beneficiaries.[42]

Before the law changed, many non-spouse beneficiaries could spread inherited IRA distributions over life expectancy. A younger beneficiary might recognize taxable income gradually while the remaining balance continued to grow tax deferred.

For many adult children and other non-spouse beneficiaries, that option disappeared. The account must now be emptied by the end of the tenth year after the original owner's death. The family now has less time to manage the tax bill.[43]

The Ten-Year Clock

The ten-year rule sounds simple until it lands on a family. A traditional inherited IRA is taxable as the beneficiary withdraws the money. If the beneficiary is already in peak earning years, those withdrawals may be added on top of wages and other household income.

Imagine a parent leaves a $500,000 traditional IRA to an adult daughter. The account may be a wonderful gift. It may also arrive with a ticking clock attached. Taking equal amounts over ten years could add about $50,000 of taxable income each year before growth and other facts are considered. Waiting until the final year could create a much larger income spike. Neither approach is automatically right.

THE INHERITED IRA
10-YEAR CLOCK

YEAR 0

Inheritance occurs.

Identify the beneficiary category and the inherited account type.

YEARS 1–9

Review and plan.

Distribution requirements may apply during the 10-year window.

YEAR 10

Meet the deadline.

For many nonspouse beneficiaries, the inherited account generally must be fully distributed by the applicable deadline.

THE CLOCK STARTS AT INHERITANCE.

Understanding the rules early can create more time to coordinate distribution and tax decisions.

DIFFERENT BENEFICIARIES MAY FOLLOW DIFFERENT RULES.
Surviving spouses and certain eligible designated beneficiaries may have different options.

Different beneficiaries may follow different rules. A surviving spouse and other eligible designated beneficiaries may have different options. For many other individual beneficiaries, the account must be emptied by the end of the tenth year. The timing within that period can depend in part on whether the original owner died before or after the required beginning date—the point at which required distributions were scheduled to begin. Annual distributions may be required in some situations.[44] Because the rules depend on the beneficiary, the account, and the law then in effect, they should be reviewed soon after the inheritance.

Inherited Roth accounts may also face a ten-year deadline, even though qualified withdrawals may be tax-free.[45] The timing rules still matter because tax-free does not mean the beneficiary can leave the account untouched forever.

SECURE 2.0 Added Flexibility

SECURE 2.0 became law in 2022 and created more choices for savers and retirees. Those choices only help when the family understands how to use them.

The law raised the required minimum distribution age again for many retirees. Under current law, the applicable RMD age is generally 73 for individuals born from 1951 through 1959 and 75 for individuals born in 1960 or later.[46] It also removed lifetime required distributions from Roth accounts inside employer plans for the original owner.[47] SECURE 2.0 also changed certain catch-up contribution rules.[48] The law also created a limited path for certain unused 529 funds to move into a Roth IRA, subject to statutory conditions, annual limits, and a lifetime transfer cap.[49]

Delaying required distributions creates more time for planning. Leaving a large traditional account untouched for additional years may create larger taxable withdrawals later, so the extra time should be used strategically.

The beneficiary form matters more than most families realize. Retirement accounts generally pass under the beneficiary designation and the plan or custodian’s procedures, which may produce a different result from a will.[50] Families should also look at what their heirs are inheriting. A large traditional IRA may create taxable income over a compressed period. If a trust or charity is involved, the documents should be reviewed under current rules.

Both SECURE Acts created useful options while changing how quickly some heirs may need to act. Who is really being secured depends partly on whether the family understands the rules before the clock begins.

Regular household portfolio reviews help keep beneficiary designations, inherited-account strategies, and professional guidance aligned as laws, accounts, and family circumstances change. They also give the family time to make informed decisions before deadlines or tax consequences narrow the available choices.

PART II

THE 10-STEP RETIREMENT TAX GPS

Ten connected decisions for coordinating retirement income, taxes, and legacy planning.

The 10-Step
Retirement
Tax GPS
Ten connected waypoints for coordinating retirement income, taxes, legacy decisions, and ongoing planning.
PUT THE PLAN INTO ACTION
10
Retirement Tax GPS Roadmap
Assign the next owner, owner, target date, and review point.
9
Life Insurance Review
Determine whether a policy solves a measured need better than the available alternatives.
8
Legacy Navigator
Align beneficiaries, account titles, estate documents, tax characteristics, and family intentions.
7
Annual Tax GPS Review
Update the route when income, laws, health, markets, family circumstances, or unfinished actions change.
6
Tax Timing Strategies
Compare the tradeoffs of recognizing income now versus deferring it to a later year.
5
Charitable GPS
Coordinate the asset, account, timing, and method used for charitable gifts.
4
Tax-Aware Asset Location
Match the account to the job—based on tax treatment, risk, liquidity, and time horizon.
3
Income Threshold Check
Look beyond tax brackets for Social Security taxation, Medicine costs, healthcare subsidies, and other income-sensitive rules.
2
Bracket Mapping
Estimate the current-year tax range before adding a withholding, conversion, gain, or other income event.
1
Cash Flow Compass
Determine annual spending, dependable income, and the gap that must be funded from savings and investments.
N
W
E
S
Start here
Each step addresses a different decision.
The value comes from keeping every decision on the same map.

Use the map to identify the two or three steps most relevant to your family now. Return to it as income, laws, markets, health, and family circumstances change.

Imagine you are sitting in the driver's seat, ready to begin the next part of the journey. The destination is a more tax-aware retirement, but the road ahead will not always be straight. Tax laws change. Markets move. Family needs evolve. Unexpected expenses can create detours.

You cannot remove every hazard, but you can plan the route.

Each of the next ten steps is a waypoint. Together, they will help you decide where retirement income should come from, when taxes may be paid, and how the plan should adjust when conditions change. The Tax GPS is not a rigid formula or a collection of isolated tax tricks. It is a practical process for keeping connected decisions on the same map.

How to Work the GPS

For each step, identify the decision, gather the current information, and note which professional should be involved before action is taken. Record the next action, owner, target date, and review point in the Retirement Tax GPS Action Plan located in the back matter.

STEP 1

Cash Flow Compass

Build the Retirement Paycheck

Picture this: You are ready to start the first leg of retirement. The bills will keep arriving, but the paycheck may not. Before you pull money from an account, you need to answer a basic question: Where will this year's spending money come from?

For most of your working life, income arrived on a schedule. In retirement, Social Security, a pension, or another dependable source may cover part of what you need. The rest must be designed. Start with the amount you expect to spend during the year, then subtract the dependable income already coming in. The difference is the gap your savings and investments may need to fill. The Cash Flow Compass puts the spending decision first and the account decision second.

That gap may come from cash, a taxable account, a traditional retirement account, a Roth account, or a combination. Those sources create different tax results and provide different levels of flexibility when markets move or an unexpected expense appears. For years, retirees were often told to spend taxable money first, traditional retirement money second, and Roth money last. That can be a useful starting point, but the appropriate sequence depends on the family and the year. The better question is which combination fits this year.

Suppose a couple needs $24,000 beyond Social Security and pension income. They might use part of their cash reserve, sell selected investments from a taxable account, and take the balance from a retirement account. Another year, the mix may be different. The point is to coordinate the income sources before the money comes out.

Cash can help avoid selling investments at the wrong time. Taxable, traditional, and Roth withdrawals do not land on the tax return the same way. That difference can make one source more attractive than another in a particular year. Using more from a traditional account may create taxable income today but reduce future balances. Using Roth money may provide flexibility now but leave less available later. The mix should fit this year's needs while preserving choices for what may come next.

Survivor Check

For married couples, also ask what the retirement paycheck may look like after the first spouse dies. Which income continues, which income may change or stop, what expenses are likely to remain, and what resources would be available to fill the gap? Later steps will address the related tax, pension, insurance, and legacy consequences.

Design the retirement paycheck intentionally before withdrawals begin. An intentional plan can still be simple. With the sources on the table, Bracket Mapping estimates how much taxable income those choices may create.

STEP 2

Bracket Mapping

Set the Year's Tax Range

Imagine you are driving on a busy highway. Before changing lanes, you check what is around you. Bracket Mapping works the same way. Before taking another withdrawal or creating more income, you need to know where your projected taxable income already stands.

The retirement paycheck is now on the table. The next step is to estimate what those choices may produce on the tax return. Last year's return may be a useful starting point, but the estimate should reflect what has changed and any income still expected before year-end. A reasonable range is sufficient and leaves room for the year to unfold.

This is where families get surprised. They may track how much cash came into the household without estimating how much may be taxable. Another withdrawal is made, and the full tax effect may not become clear until the return is prepared months later.

Making the Most of Bracket Mapping: When to Change Lanes

The goal is to understand how another income event may affect the current-year tax range and decide deliberately. Moving higher does not mean every dollar is suddenly taxed at the higher rate. Only the dollars that cross into the next band are taxed there.[51] Sometimes a larger withdrawal still makes sense because the money serves an important purpose. The key is knowing the cost before you move.

Consider David and Karen in this hypothetical example. They project taxable income of about $72,000 and are comfortable using an illustrative planning range—not a statutory tax bracket—up to about $90,000 this year. Assuming the full $15,000 retirement-account withdrawal for their home expense is taxable, their projected taxable income would increase to approximately $87,000. That would leave about $3,000 within their chosen range. The example does not calculate their final tax liability or account for every item on their return; it simply shows how a proposed transaction can be compared with a current-year planning range.

Leave room for income that may not arrive on schedule. A year-end distribution, capital gain, or unexpected payment can change the picture. Update the estimate when something meaningful changes. When the tax picture is complex, review the range with a qualified tax professional.

Bracket Mapping replaces guesswork with a current-year range. The next step looks beyond the income-tax bracket to consider how another withdrawal may affect Social Security taxation, Medicare costs, or healthcare subsidies.

STEP 3

Income Threshold Check

Look Beyond the Tax Brackets

Tax brackets are only one line on the income-threshold map. You can stay inside the range you chose and still trigger another tax or income-based cost. That is what makes these thresholds easy to miss. The withdrawal may look manageable on the bracket map, but its full cost may not become clear until later.

Consider Steve and Nancy. They receive $36,000 a year in Social Security benefits and $22,000 from a pension. They are thinking about taking another $10,000 from a traditional IRA for a family expense. The withdrawal may fit comfortably within the tax range they mapped in the prior step, but it could do more than add $10,000 of taxable income. Assuming they file jointly and have no other income or tax-exempt interest, it could also cause approximately $7,100 more of their Social Security benefits to become taxable.[52] Depending on the household's other income, up to 85 percent of Social Security benefits may be included in taxable income. That does not mean the benefits are taxed at an 85 percent rate; it means a larger portion may appear on the tax return.

Income-sensitive consequences can also appear on different timelines. A one-time Roth conversion or large capital gain may affect Medicare Part B and Part D premiums two years later because IRMAA generally relies on earlier tax-return information.[53] For a retiree who purchases coverage through the Marketplace, the same type of income event may reduce premium assistance during the coverage year.[54] A complete projection should therefore consider both the immediate tax effect and any related healthcare costs before the additional income is recognized.

Before adding income through a large withdrawal, major sale, or other one-time event, look beyond the income-tax bracket. Ask what else may move with it. Sometimes the extra income will still be worth the cost because it solves a more important need. The important part is seeing the tradeoff before the decision is finalized.

Before You Add Income

Gather the information needed to see what else may move with the decision:

- What healthcare coverage applies now—Medicare, Marketplace coverage, employer coverage, or another arrangement?
- What is the household's projected income before and after the proposed withdrawal, conversion, gain, or other one-time event?
- What recent tax-return or income information is being used for the applicable healthcare determination?
- Are any unusual income events or recent changes in circumstances relevant to the review?
- Which tax, Medicare, benefits, or financial professional should review the projection before action is taken?

With those income thresholds in view, the family can also evaluate whether each investment is held in an account suited to its tax treatment, purpose, liquidity needs, and time horizon.

The Income Threshold Ripple Effect

One income decision can affect more than your tax bracket.

A large withdrawal, conversion, or capital gain can trigger or increase costs and taxes in several other areas.

THE KEY TAKEAWAY Income does not affect just one line on your tax return. It can create ripples across your entire financial plan. Know the connections before you act.

Rules and thresholds depend on filing status, age, income sources, and current law. These interactions are general and not a promise or guarantee. Consult your tax and financial professionals.

STEP 4

Tax-Aware Asset Location

Place Investments with Purpose

What you own matters. Where you own it matters too. A solid investment can still create unnecessary tax drag when the account holding it does not fit the investment or the family's needs.

Rather than follow a universal placement chart, look across the entire household and ask whether each account is doing the job the family needs it to do.

Consider Robert and Elaine. Their overall investment mix still fits their goals. But a $150,000 interest-producing investment sits in their taxable account while a $150,000 lower-turnover investment sits in a traditional IRA. Through future purchases and rebalancing, they consider gradually placing more of the income-producing investment inside the IRA and more of the lower-turnover investment in the taxable account. That may reduce current tax drag, but only if they preserve enough taxable money for near-term spending and avoid creating an unnecessary tax bill while making the change.

What the Account Needs to Do

Tax-loss harvesting shows why the account matters. In a taxable account, selling an investment at a loss may help offset realized capital gains, subject to the tax rules. That option does not work the same way inside an IRA or Roth account. Wash-sale rules can also apply when replacement securities are purchased in another account, including an IRA. Any replacement holding still must fit the investment plan rather than being selected solely for a tax benefit.[55]

Before moving or replacing an investment, ask three practical questions:

- How does it produce income?
- When might the family need the money?
- What tax, reporting, or withdrawal rules come with the account?

The same questions apply to Roth accounts and private holdings. Private investments may add concerns involving eligibility, liquidity, valuation, fees, and tax reporting. The account must fit the investment and the family's need for access, simplicity, and control.[56]

The best location balances taxes with liquidity, risk, and flexibility. These same considerations become important when deciding which asset to give to charity.

STEP 5

Charitable GPS

Coordinate Your Giving

Charitable giving is about more than money. The heart decides where to give. Planning decides how to deliver the gift.

The form of the gift matters. Cash, appreciated investments, and eligible IRA distributions can create different results. The practical question is straightforward: Are we giving the right asset in the right year?

The charitable-giving decision map on the following page shows the main questions to coordinate before choosing how to make the gift.


Charitable Giving Decision Map
Plan with purpose. Give with intention.
A few key choices today can create the greatest impact tomorrow.
1
WHAT ASSET ARE YOU GIVING?
Identify the asset and its current value.
Choose the right asset for your goals.
2
FROM WHICH ACCOUNT?
Consider the account type and tax impact.
%
Account choice affects today and tomorrow.
3
DIRECTLY TO WHICH ORGANIZATION?
Select the right charity and confirm eligibility.
Give where it aligns with your values.
4
IN WHAT YEAR?
Consider timing for tax benefits and impact.
Timing can change the tax result and your legacy.
5
IS PROFESSIONAL REVIEW NEEDED?
Review with your tax and legal advisors.
The right guidance helps avoid costly mistakes.
THE PURPOSE IS THE DIFFERENCE
Thoughtful giving today creates a stronger legacy for tomorrow.
Rules and tax treatment vary by situation and organization.
Consult your tax and legal professionals before making charitable gifts.

Same Gift, Different Route

Qualified Charitable Distribution: Give Directly From the IRA. Maria is 73 and plans to give $10,000 to her church. She is subject to an RMD for the year but does not need the distribution for living expenses. If the church is an eligible organization and all requirements are met, Maria may arrange for the $10,000 to be paid directly by the IRA trustee to the church. The distribution may count toward her required minimum distribution and generally is not included in taxable income. Maria was already going to make the gift. The QCD changed how it was delivered. A QCD cannot be made to a donor-advised fund.[57]

Donor-Advised Fund: Give Now, Recommend Grants Later. David and Susan normally give $10,000 a year to several local organizations. This year, they contribute $30,000 to a donor-advised fund. Subject to the charitable-deduction rules, the contribution is made this year, while they can recommend grants over the next three years. The sponsor controls the assets. David and Susan recommend future grants. Same charitable commitment. Different timing.[58]

Appreciated investments may also deserve comparison when selling them first would create a gain. Families that give regularly may group several years of contributions into one year when the timing better fits their deduction picture.

Good intentions still need enough time to arrive. IRA distributions, appreciated-asset gifts, and donor-advised-fund contributions require coordination. Waiting until the final days of the year can turn a meaningful gift into a paperwork race.

Before You Give

Before initiating a charitable gift, confirm:

- Is the donor eligible to use the proposed strategy?
- Are the account and receiving organization eligible?
- Must the gift move directly from the account custodian or trustee?
- Are an appraisal, written acknowledgment, tax form, or other documentation required?
- What records or confirmations should be retained to document the gift and its completion?
- Will the gift qualify for the intended tax treatment, and will the household benefit from a charitable deduction?
- What processing and year-end deadlines apply?

Coordinate with the appropriate tax professional, financial advisor, account custodian, charitable organization, or donor-advised-fund sponsor before transferring the asset.[59] Once the gift and its delivery are coordinated, a broader question comes into view: Should the tax event happen now, or should it be allowed to wait?

STEP 6

Tax Timing Strategies

Navigating Pay Now vs. Pay Later Choices

"The time to repair the roof is when the sun is shining."[60]
—John F. Kennedy, 1962

Deferral determines when a tax bill may be paid. Paying now or later can each make sense, and waiting is still a decision.

Every deferred tax bill is still a bill. The real question is whether this year or a later year gives the family the better tradeoff. Recognizing income now creates a current tax cost. Deferring it preserves cash today. But the income may arrive later, after the tax picture has changed. A lower-income year can open a window. That window can close when required distributions begin, a pension starts, or one spouse is left filing alone.

In this hypothetical example, Tom and Diane retired this year. Their paychecks stopped, but Diane's pension will not begin until next year. Their bracket map shows room for a $20,000 partial Roth conversion, and they have cash outside the IRA to pay the tax. Before acting, they would still confirm the result with a current tax projection. That review should include the Roth-conversion considerations discussed in Chapter 9, along with the income-sensitive thresholds addressed in Step 3. Converting now would add income in a temporarily lower-income year. Waiting would preserve cash today, but it could shift the tax into a year when more income is already arriving.[61]

The same choice can arise with an appreciated investment. Suppose a family plans to sell a concentrated stock position. Selling this year creates the gain now. Waiting may move the gain into a lower-income year, but only if the investment still belongs in the portfolio.

Pay Now or Pay Later?

- **Paying now may make sense** when income is temporarily lower, future income is expected to rise, and the family has cash available to pay the tax.

- **Paying later may make sense** when current income is already high, the added income creates another cost, or preserving cash matters more.

The decision to pay now or later depends on what the family knows today. When income, markets, laws, or family circumstances change, the route should be checked again.

STEP 7

Annual Tax GPS Review

Update the Route

The map can be right in January and wrong by October. During an annual review, I look for what changed, what remains unfinished, and which actions deserve attention.

An annual review updates the existing plan to reflect changes during the year. Income may have arrived earlier or later than expected. A market move, property sale, new tax law, or family event may have changed one assumption. Those changes may call for a route adjustment rather than a complete redesign of the plan.

Three questions keep the review focused:

- What changed?
- What still needs to happen before year-end?
- What can wait?

Paul and Denise expected Denise's pension to begin in July. By fall, the start date had moved to January, leaving their taxable income lower than expected. They revisited whether part of an IRA withdrawal planned for next year should happen this year instead. One delayed pension changed one decision while the broader plan remained intact.

An annual review provides a useful baseline, but the review does not have to wait for year-end. A major income event, market change, new law, or family decision may call for another review while there is still time to act.

Families change too. Marriage, death, inheritance, or a change in family wishes can leave beneficiary forms and estate documents telling different stories. Updating the tax route matters. Making sure the family's legal instructions still agree matters just as much.

STEP 8

Legacy Navigator

Align Beneficiaries, Estate Documents, and Taxes

A legacy carries more than money—it carries your values, your hopes, and the future you pictured for your family. Estate planning helps make sure it reaches the people and places you intended.

The destination is only one part of the plan. Beneficiary forms, account titles, and legal documents should be coordinated so they implement the family's intended result. Federal estate tax may never become your family's problem. Conflicting instructions still can. A coordinated plan can prepare for incapacity, protect a spouse, and guide an heir who may need help. The goal is to carry out the family's wishes with less confusion and pressure.

Consider Frank and Susan. They want equal inheritances for their two children. Lisa will receive a $500,000 traditional IRA. Michael will receive a $500,000 taxable investment account. On paper, the amounts are equal. After taxes, they may not be. Lisa will generally owe income tax as IRA distributions come out. Michael may receive inherited investments with a basis adjustment. One account may be available right away. The other may come with taxes, distribution rules, and decisions the beneficiary is not ready to make. The numbers may match. The inheritance may not. After reviewing the tax characteristics of the accounts, Frank and Susan decide not to divide the estate by statement value alone. They ask their attorney and tax professional to evaluate a more balanced allocation based on the likely after-tax result.[62]

The same tax-aware thinking applies during life and after death. Some families move part of the legacy now. Others need clearer instructions for later. The right route depends on what the family wants the legacy to do.

Tax-Aware Ways to Transfer a Legacy

Annual gifts can help while you are here. Federal law provides an annual gift-tax exclusion up to the amount in effect for that year. In 2026, that amount is $19,000 per recipient when the gift qualifies for the exclusion. For example, a married couple could each give $19,000 to three children and four grandchildren. That moves $266,000 in one year without using their lifetime exemption for those gifts.[63] Many parents and grandparents would rather help while they are here to see it matter. The gift might help with school, a first home, or a difficult season. But the asset matters. Qualifying inherited property generally receives a basis determined under date-of-death rules, while gifted property commonly carries over the donor's basis for gain purposes.[64] In other words, giving an appreciated asset during life may also transfer its built-in capital-gains tax exposure to the recipient.

A 529 can turn education into part of the legacy. Federal gift-tax rules allow a donor to make a larger contribution in one year and elect to treat it as though it were made evenly over five years for gift-tax purposes. In 2026, because the annual exclusion is $19,000, one donor may elect to treat up to $95,000 contributed for one beneficiary as $19,000 per year over five years. A married couple may contribute up to $190,000 when each spouse makes the election.[65] Frank and

Susan also decide to make a larger 529 contribution for one granddaughter, using the five-year election to treat the contributions made ratably over five years for federal gift-tax purposes. When the rules are followed, the account can grow federally tax-free for qualified education expenses. The contribution may be made up front, but the election and related tax-reporting requirements still matter. The family begins funding an education legacy while the account owner keeps control.

A trust can add control and timing. Some beneficiaries may benefit from receiving an inheritance over time. A revocable living trust may help manage and distribute assets transferred to or otherwise governed by it. Because the grantor generally retains control, a revocable living trust does not by itself remove those assets from the grantor's federal taxable estate.[66] The trust document, account ownership, and beneficiary designations should be coordinated with an estate-planning attorney.

A charitable lead trust can serve charity first and family later. It may pay a charity for a stated period, with the remaining assets later passing to noncharitable beneficiaries. That can connect two important intentions, but the result depends on the trust terms, asset performance, and family circumstances. Trusts should be designed and reviewed with qualified legal and tax professionals.[67]

Make Sure the Instructions Agree

These tools work best when the instructions agree. The family may know exactly what it wants. The paperwork may tell a different story. Start with beneficiary forms on retirement accounts, life insurance, and annuities. Then compare the account titles, transfer-on-death instructions, will, and any trust. They should point toward the same result. Trust assets must also be titled properly. Powers of attorney and healthcare documents matter during life. The right people should know where the documents are kept and whom to contact. One old form can send the plan in a different direction.

The Legacy Alignment Route

Make sure your instructions agree.

A coordinated legacy plan helps your assets transfer according to your intentions—with fewer conflicts, surprises, and unnecessary complications.

1. **FAMILY INTENTIONS**

   Clarify who and what your legacy is meant to support. Values, goals, and priorities come first.

2. **ACCOUNT OWNERSHIP**

   Confirm that account titles and trust ownership are structured to support the result you intend—during your life and at death.

3. **BENEFICIARY DESIGNATIONS**

   Keep beneficiary forms current and coordinated. They may control assets outside the will.

4. **ESTATE DOCUMENTS**

   Align wills, trusts, powers of attorney, and healthcare documents so they work together and reflect your intentions.

5. **TAX CHARACTERISTICS**

   Compare pre-tax and after-tax inheritances fairly. Equal balances may not create equal outcomes.

6. **PROFESSIONAL REVIEW**

   Review the complete plan with the appropriate legal, tax, and financial professionals. Confirm everything is coordinated and up to date.

ALIGNED INSTRUCTIONS. CONFIDENT OUTCOMES.

Alignment can reduce confusion and help your legacy follow the route you intended.

Rules, taxes, and outcomes depend on your specific facts, state of residence, and current law.
Consult your legal, tax, and financial professionals.

Plan for Liquidity

A family can be wealthy on paper and still be short on cash. A business, a property, or a private investment may be valuable but difficult to divide. Without enough liquidity, heirs may feel pressured to sell at the wrong time or distribute assets before the family is ready. A thoughtful legacy can become a rushed decision.

A tax-aware legacy plan starts with the destination. Make sure the route still leads where the family intends before adding another financial tool. The review may uncover a real need for cash, support for a dependent, or a fairer way to divide the inheritance. Measure that need before choosing the tool.

STEP 9

Life Insurance Review

Decide Whether Life Insurance Solves a Defined Need

Most people think life insurance has one job: leave money behind after someone dies. That may be its most familiar job, but a policy can also address other defined financial needs. A policy may create cash when a family, business, or care need is greatest. That is why life insurance should be treated as a financial *tool*. It must solve a real problem and earn its place.

Life insurance works differently from ordinary savings. It transfers a defined financial risk to an insurer in exchange for premiums. Life-insurance death proceeds are generally excluded from a beneficiary's federal gross income, although exceptions and taxable interest may apply.[68] Some permanent policies or riders may also provide benefits during life. Those benefits may be valuable, but they come with costs, limitations, and contract conditions.

Four Needs Life Insurance May Address

1. **Family protection and income replacement.** A death can remove a paycheck while the mortgage and daily expenses continue. Insurance may give a surviving spouse or dependent time to make decisions instead of immediately selling investments or changing plans.

2. **Living benefits and retirement flexibility.** Some permanent policies build cash value that may be accessed through withdrawals or loans. Some contracts also offer long-term-care or chronic-illness riders. Any access depends on the contract and can reduce what remains for later.

3. **Legacy, liquidity, and inheritance equalization.** A family can own valuable property and still be short on cash. Insurance may help prevent a rushed sale or help balance an inheritance when one child receives a business or other illiquid asset. The policy can support the estate plan by providing cash to help carry it out.

4. **Business continuity.** A policy may help fund a buy-sell agreement or provide cash after an owner's death. Insurance may support business continuity by giving the family and the company time to carry out an existing plan.

Carlos's situation shows how the review works. He owns a closely held business and wants $500,000 of liquidity so his wife would not be forced to sell his interest quickly after his death. The family reviews its available resources, the buy-sell agreement, and what the business may provide. Those resources cover part of the need. If a gap remains, a policy may be one reasonable way to fund it. It may also be too costly or unavailable after underwriting. Carlos has identified the problem. He has not yet proved that insurance is the answer.

The advantages still must survive the contract. Read the actual policy and a current illustration. Separate guaranteed values from non-guaranteed assumptions. Review the policy carefully because its costs and surrender terms determine whether it remains affordable and flexible.

Underwriting affects the offer, while the insurer's financial strength supports the promise behind the policy.

Loans charge interest and can reduce cash value and the death benefit. A surrender—or in some circumstances a lapse involving an outstanding loan—may create taxable income if the contract has gain. Tax treatment depends on investment in the contract, loan balance, modified-endowment-contract status, and other contract facts. Rider definitions, waiting periods, eligibility, and benefit limits also vary.[69] Ownership and beneficiary designations should be coordinated with the policy's purpose, estate plan, tax considerations, and applicable agreements.

A policy belongs in the plan only when it solves a measured need better than the available alternatives. Compare the measured need with existing liquid assets, the terms of any business or buy-sell agreements, current coverage, other insurance options, and the possibility of retaining some or all of the risk. Cost, complexity, underwriting, or contract limits may make another solution preferable. Start with the need. Measure the gap. Compare the alternatives. Only then decide.

STEP 10

Retirement Tax GPS Roadmap

Put the Plan Into Action

"Well done is better than well said."[70]
—Benjamin Franklin

The decisions you make shape both the wealth you use today and the future you are building. A clear roadmap helps reduce the risk of costly mistakes and keeps the family focused on what must happen next.

A plan becomes real when someone owns the next move. Families can leave a meeting with ten great ideas and accomplish none of them because no one knows what comes first, who is responsible, or when the decision must be made. The Retirement Tax GPS Roadmap turns the prior nine waypoints into a concise written plan: what matters now, what can wait, who is responsible, and when the family will review the plan.

Start with the family's current picture. Identify the two or three priorities with the greatest urgency or the most important dependencies. A year-end tax decision may need a projection before money moves. An estate change may require legal guidance before account titles or beneficiaries are updated. The order matters because one action often depends on another.

A usable roadmap answers four practical questions: What is the decision? Who owns it? What must happen first? When will it be reviewed? The owner may be a family member or one of the professionals involved. The owner is responsible for moving the next action forward and coordinating the people whose input or approval is required.

Putting the Next Actions in Order

Mark and Ellen have several unfinished planning items, so they put them in order based on readiness and urgency. Ellen can submit an updated beneficiary designation for her IRA now and then confirm that the custodian accepted and recorded the change.

Mark is considering a partial Roth conversion, but that decision requires more information. His CPA will complete a tax projection in October, and Mark will review the results before deciding whether to proceed in November.

They also schedule their next Retirement Tax GPS review for the spring. That meeting gives them a defined time to revisit their income, documents, and any unfinished actions. One task is ready now, another depends on additional information, and the remaining items have a clear review point instead of being forgotten.

Some decisions are time-sensitive, while others should wait for the information or professional input they require. Record a review point for later decisions so they remain visible. Use the Retirement Tax GPS Action Plan in the back matter to build your own roadmap by recording each priority, the information needed, the owner, the professional to involve, the target date, and the review point.

GPS Reminder
A useful roadmap makes the next step clear.

From Principles to Practice

How We Put Coordinated Retirement Planning Into Action

This book has focused on the decisions that matter before and throughout retirement: how income is created, how taxes interact with other choices, how account types differ, how a surviving spouse may be affected, and how a written action plan keeps important work from being postponed.

The next question is practical: How do those ideas move from information to implementation?

The frameworks described on the following pages are the systems I developed to organize that work. Together, they provide a disciplined way to define responsibilities, assign a purpose to retirement assets, coordinate tax-sensitive decisions, and keep the appropriate professionals working from the same plan. Implementation depends on the family's circumstances, the professionals involved, and the scope of each professional relationship.

Each framework has a distinct role. The value comes from understanding how the roles fit together.

The System at a Glance

Element	Role in the Process
Fiduciary Duty Principles®	The standard intended to keep advisory work grounded in clear scope, defined responsibility, transparency, and ongoing attention to the client's interests within the advisory relationship.
Boutique Family Office®	The coordination model for the people, professionals, information, and responsibilities involved in the family's financial life.
Personal CFO	The accountability role that keeps decisions moving, identifies who should be involved, and tracks the next action.
Strategic Wealth Alpha GPS®	The broader financial roadmap that assigns a job to retirement assets: Income Now, Income Later, Growth, or Legacy.
Retirement Tax GPS	The ten-step process for coordinating tax-sensitive retirement decisions before opportunities close or actions become permanent.
Private Market Alpha	A private-market investment category that may be considered within the broader roadmap when it serves a defined Income Later, Growth, or Legacy purpose.

Our 10 Commandments: Fiduciary Duty Principles®

Fiduciary Duty Principles® is the name I use for the standards intended to guide our advisory work. Fiduciary duty is not created by a book, slogan, or proprietary framework. Within an investment-advisory relationship, applicable law and the agreed scope of the relationship shape the adviser's obligations; the federal fiduciary duty itself cannot be waived by contract.[71]

In practice, we express that commitment through ten principles:

1. Client's Interests First
We place the client's interests first and act with loyalty within the scope of the advisory relationship.

2. Professional Prudence
We approach recommendations with care, skill, diligence, and professional judgment.

3. Transparent Communication
We communicate material information clearly so clients can make informed decisions.

4. Conflict Management and Disclosure
We seek to avoid or mitigate conflicts of interest and disclose material conflicts that remain.[72]

5. Holistic Wealth Planning
We evaluate financial decisions in relation to the client's broader income, investment, tax, risk-management, estate, and family circumstances.

6. No Commissions on Investments
We do not receive commissions for investment recommendations made through the advisory relationship.

7. Clear and Transparent Portfolio Management
We provide clients with visibility into their portfolios, investment strategies, costs, and the reasoning behind material recommendations.

8. Independent Guidance
We provide advice independently and evaluate recommendations according to the client's circumstances, objectives, and reasonable alternatives.

9. No Proprietary Products
We do not create or sell proprietary investment products, allowing available solutions to be evaluated without a proprietary-product requirement.

10. Assets Held by Independent Custodians
Client assets are held by qualified independent custodians rather than by Advanced Wealth Management.

These principles establish the standard behind the process. Boutique Family Office® coordinates the people and planning areas involved, the Personal CFO provides accountability and follow-through, and the remaining frameworks help organize the assets and decisions around the family's priorities.

Coordinating the People: Boutique Family Office®

A family can have a professionally managed portfolio, accurately prepared tax returns, carefully drafted estate documents, and appropriate insurance coverage—and still experience an incomplete result if the pieces are not working together.

I created the Boutique Family Office® model to organize those connections and coordinate the major areas of a family's financial life around one clear retirement plan. It brings investment management, retirement income, proactive tax planning, Social Security, healthcare and long-term-care considerations, insurance and risk management, estate and legacy planning, charitable goals, and family priorities into a shared decision-making framework.

The model gives the family's professionals a common set of facts, priorities, and objectives. When a decision affects more than one area, the appropriate professionals can evaluate it before action is taken. Each professional contributes specialized knowledge, while the broader planning relationship keeps those recommendations connected to the family's income needs, tax circumstances, risk exposure, and long-term goals.

When appropriate and authorized, Advanced Wealth Management may coordinate with a client's CPA, enrolled agent, estate-planning attorney, insurance professional, trustee, plan administrator, or other advisor. Each professional remains responsible for the work and advice provided within that professional's own area of responsibility.

The coordination wheel brings seven planning areas together. Each has a distinct purpose, and the value comes from understanding how they work as one coordinated retirement plan. The intended result is clearer ownership, better timing, fewer surprises, and a plan in which the parts support the whole.


Boutique Family Office®
Coordination Wheel
1.
Holistic Wealth
Management
2.
Investment
Management
3.
Social
Security
4.
Proactive
Tax Planning
5.
Health
Care &
Long-Term Care
6.
Estate & Legacy
Planning
7.
Asset
Protection &
Risk
Management
Planning
PERSONAL
CFO

The Accountability Role: Personal CFO

Within the Boutique Family Office® model, I use the term Personal CFO for the accountability role that keeps the family's planning work connected. The Personal CFO maintains a shared view of the retirement plan, gathers relevant information, identifies which professionals should be involved, tracks unresolved questions and follow-up, and keeps each action connected to the family's broader goals.

Advanced Wealth Management uses a proprietary digital planning platform to support the Boutique Family Office® process. The platform helps organize planning information, responsibilities, documents, and follow-up so that the family and the appropriate professionals can work from a more coordinated retirement roadmap.

CPAs, attorneys, insurance professionals, healthcare specialists, and investment advisers contribute specialized knowledge within their respective areas. The Personal CFO coordinates the timing, information, and follow-through among them so each professional can evaluate a decision in the context of the larger plan.

Who will obtain the pension illustration? Who will ask the CPA to model the conversion? Who will send the updated trust to the adviser? Who will confirm the beneficiary change? Who will review the decision again, and when?

For the family, the practical value is one point of coordination, a shared action list, documented follow-up, and clear accountability for what happens next. A plan becomes more useful when the important questions have names and dates attached to them.

Coordinating the Plan: Strategic Wealth Alpha GPS®

Boutique Family Office® coordinates the people. Strategic Wealth Alpha GPS® coordinates the broader financial plan.

The framework begins with a practical question: What job does this money need to do? Retirement assets are organized around four broad purposes.

Income Now. These assets support near-term living expenses, liquidity needs, and obligations that must be met regardless of short-term market conditions. Their purpose is reliability and access, not maximum long-term return.

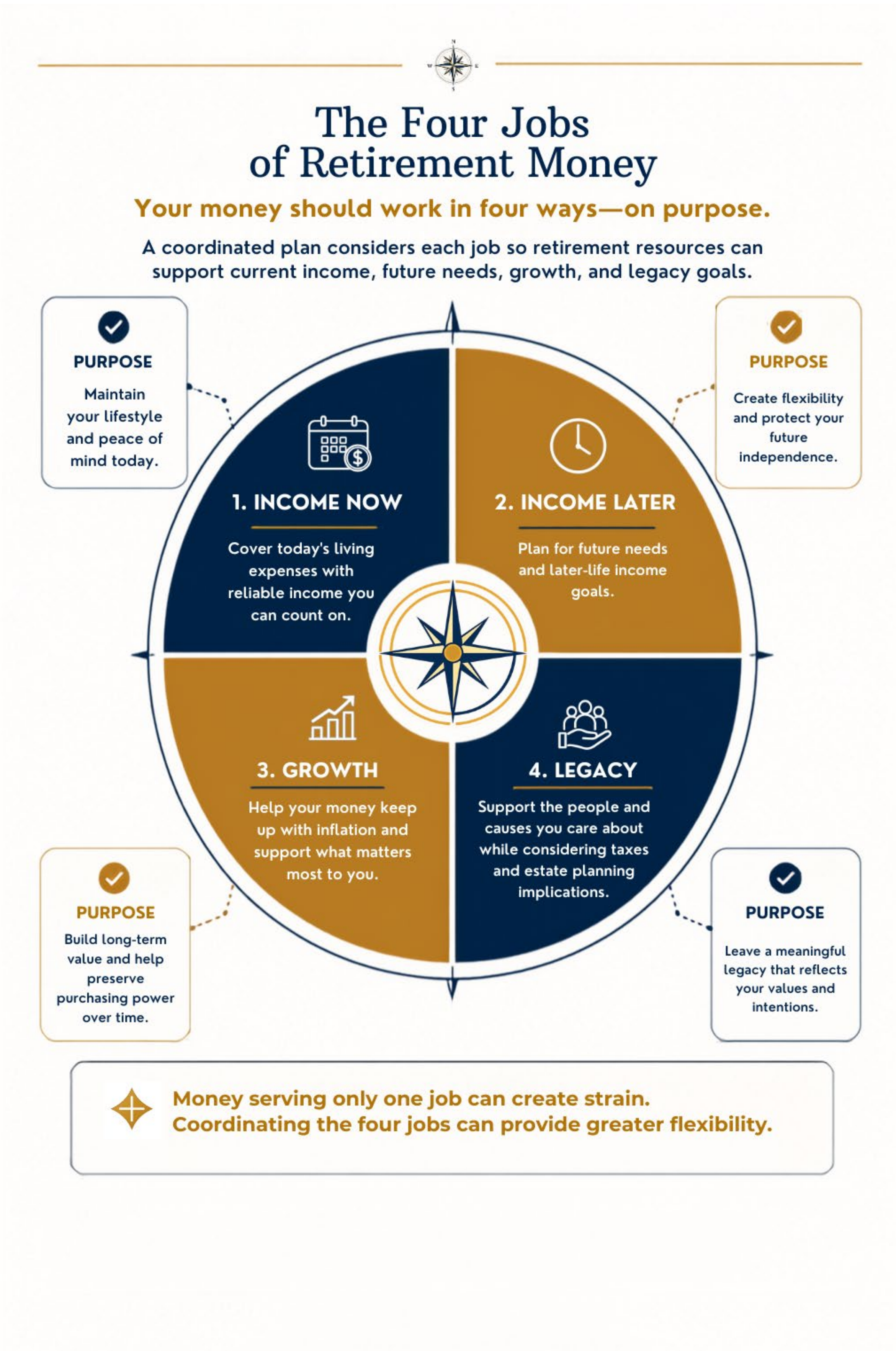
Income Later. These assets are intended for future retirement spending, later-life obligations, planned discretionary expenses, and known cash-flow needs that are not immediate. They may have more time to work than Income Now assets, but the timing of the need still matters.

Growth. These assets are intended for longer-term appreciation, inflation protection, and the replenishment of future income needs. They generally need more time and should not be expected to behave like near-term cash.

Legacy. These assets may support a surviving spouse, heirs, charitable goals, or future generations. The tax character of the accounts, beneficiary designations, estate documents, survivor income, and family intentions should be evaluated together.

Families may divide money differently, and one account may serve more than one purpose. The four categories provide a decision-making framework rather than a prescribed allocation or guarantee of results. They help the family evaluate whether the investment, account type, liquidity, tax treatment, time horizon, and purpose are aligned.

The value of the framework is that each part of the plan has a defined purpose and can be evaluated in relation to the whole.


The Four Jobs of Retirement Money
Your money should work in four ways—on purpose.
A coordinated plan considers each job so retirement resources can support current income, future needs, growth, and legacy goals.
PURPOSE
Maintain your lifestyle and peace of mind today.
PURPOSE
Create flexibility and protect your future independence.
1. INCOME NOW
Cover today's living expenses with reliable income you can count on.
2. INCOME LATER
Plan for future needs and later-life income goals.
3. GROWTH
Help your money keep up with inflation and support what matters most to you.
4. LEGACY
Support the people and causes you care about while considering taxes and estate planning implications.
PURPOSE
Build long-term value and help preserve purchasing power over time.
PURPOSE
Leave a meaningful legacy that reflects your values and intentions.
Money serving only one job can create strain.
Coordinating the four jobs can provide greater flexibility.

Coordinating Tax-Sensitive Decisions: Retirement Tax GPS

Retirement Tax GPS applies the same coordinated approach to the decisions that can change taxable income before and throughout retirement. Its ten steps address the retirement paycheck, tax-bracket range, income-sensitive thresholds, asset location, charitable planning, tax timing, annual review, legacy alignment, insurance needs, and implementation.

The steps work together because one decision can affect several parts of the plan. A Roth conversion can affect a tax bracket and Medicare-related costs. A charitable gift can affect which assets remain available for spending. A pension election can affect survivor income, insurance needs, and future taxes. The value comes from keeping each decision on the same map.[73]

The Retirement Tax GPS Action Plan in this book turns that map into assigned work by identifying the decision, the owner, the supporting professional, the prerequisite information, the target date, and the next review point.

Choosing the Tools Only After the Job Is Clear

A planning system begins with the family's need, the job the money must perform, the time available, the tax consequences, the risks, and the alternatives.

Depending on the circumstances, the tools may include cash reserves, publicly traded investments, bonds, insurance, annuities, charitable structures, or other strategies. Each tool must earn its place by solving a defined problem better than the reasonable alternatives after costs, taxes, liquidity, risk, and complexity are considered.

Private Market Alpha is the term I use for carefully reviewed private-market opportunities that may include private credit, private real estate, private equity, infrastructure, and similar investments outside the traditional public stock and bond markets.

Within the Strategic Wealth Alpha GPS® framework, a private investment may be considered when it serves a defined Income Later, Growth, or Legacy purpose and fits the family's time horizon, eligibility, liquidity needs, tax circumstances, and ability to leave the money invested.

Private investments may involve limited liquidity, infrequent valuations, complex fees, manager-selection risk, tax-reporting requirements, detailed legal terms, and investor-eligibility restrictions. They should be evaluated alongside the rest of the plan and compared with reasonable public-market and non-investment alternatives.[74]

How a Decision Moves Through the System

1. Define the decision. State the real question in plain language. Is the family deciding when to claim Social Security, whether to complete a Roth conversion, how to fund a gift, which pension option to select, or whether an investment serves a defined need?

2. Gather the current facts. Use current account values, income sources, tax information, beneficiary forms, estate documents, insurance details, product terms, and planned transactions. Current and complete facts are essential to good coordination.

3. Map the intersections. Identify what else may change: taxable income, Medicare-related costs, survivor income, liquidity, required distributions, insurance needs, estate results, or the amount available for future spending.

4. Bring in the right professionals. Match professional involvement to the decision. Involve the CPA, attorney, insurance professional, trustee, plan administrator, or other specialist when the decision reaches that professional's area of responsibility.

5. Compare the tradeoffs. Evaluate the benefits, costs, timing, taxes, risks, alternatives, and what becomes difficult to reverse after the decision is made.

6. Assign the next action and review date. A recommendation becomes actionable when it has an owner, prerequisite, target date, and follow-up point.

How the Frameworks Support Better Decisions

Together, the frameworks coordinate the professionals relevant to each decision while preserving their distinct areas of responsibility. Participation varies according to the issue, and every product or strategy must earn its place based on the family's needs, costs, risks, taxes, timing, and reasonable alternatives. The process helps families evaluate taxes, market risk, healthcare costs, and family changes in context and update the plan as circumstances evolve.

From Information to Implementation

The goal is to make important retirement decisions more complete, coordinated, and actionable.

Begin with the Retirement Tax GPS Action Plan in this book. Identify the two or three decisions most likely to matter during the next twelve months. Gather the documents and information needed to evaluate them. Then bring the questions to the professionals responsible for the work.

Readers who would like to learn more about Advanced Wealth Management's coordinated planning process may visit www.boutiquefamilyofficecfo.com. Requesting information does not establish an advisory relationship, and use of any framework described in this book does not guarantee tax savings, investment results, or any other specific outcome. Advisory services are provided only under a written agreement defining the scope and terms of the relationship.

Conclusion

You Have the Map—Make the First Move

Retirement tax planning helps keep connected decisions deliberate.

A withdrawal can affect more than cash flow. A Roth conversion can affect more than this year's tax bill. A pension election can affect more than the monthly payment. A beneficiary designation and the plan or custodian's procedures may produce a different result from what the family expected from a will or other estate document.[75] A generous gift can carry a future tax consequence. A life insurance policy can solve a real problem or create a new obligation.

The decisions are rarely isolated. That is why the process matters.

The Retirement Tax GPS follows a practical sequence: building the retirement paycheck, mapping the tax range, checking income-sensitive thresholds, reviewing where investments are held, coordinating charitable plans, comparing tax timing, updating the route, aligning the legacy, measuring insurance needs, and turning the decisions into an action list.

Each year will call for a different combination of steps. Some years require a major tax projection. Other years require only a beneficiary update, a charitable decision, or confirmation that the current route still makes sense.

The annual review can begin with three questions:

What changed?

What still needs to happen before year-end?

What can wait?

Those simple questions keep the plan connected and focused on what comes next.

Before you close this book, identify the one retirement tax decision that deserves attention during the next twelve months. Set a time to review it with the right professionals before the opportunity passes or the decision becomes permanent.

One clear next action is enough for today. Put it in writing, give it an owner, and assign a target date.

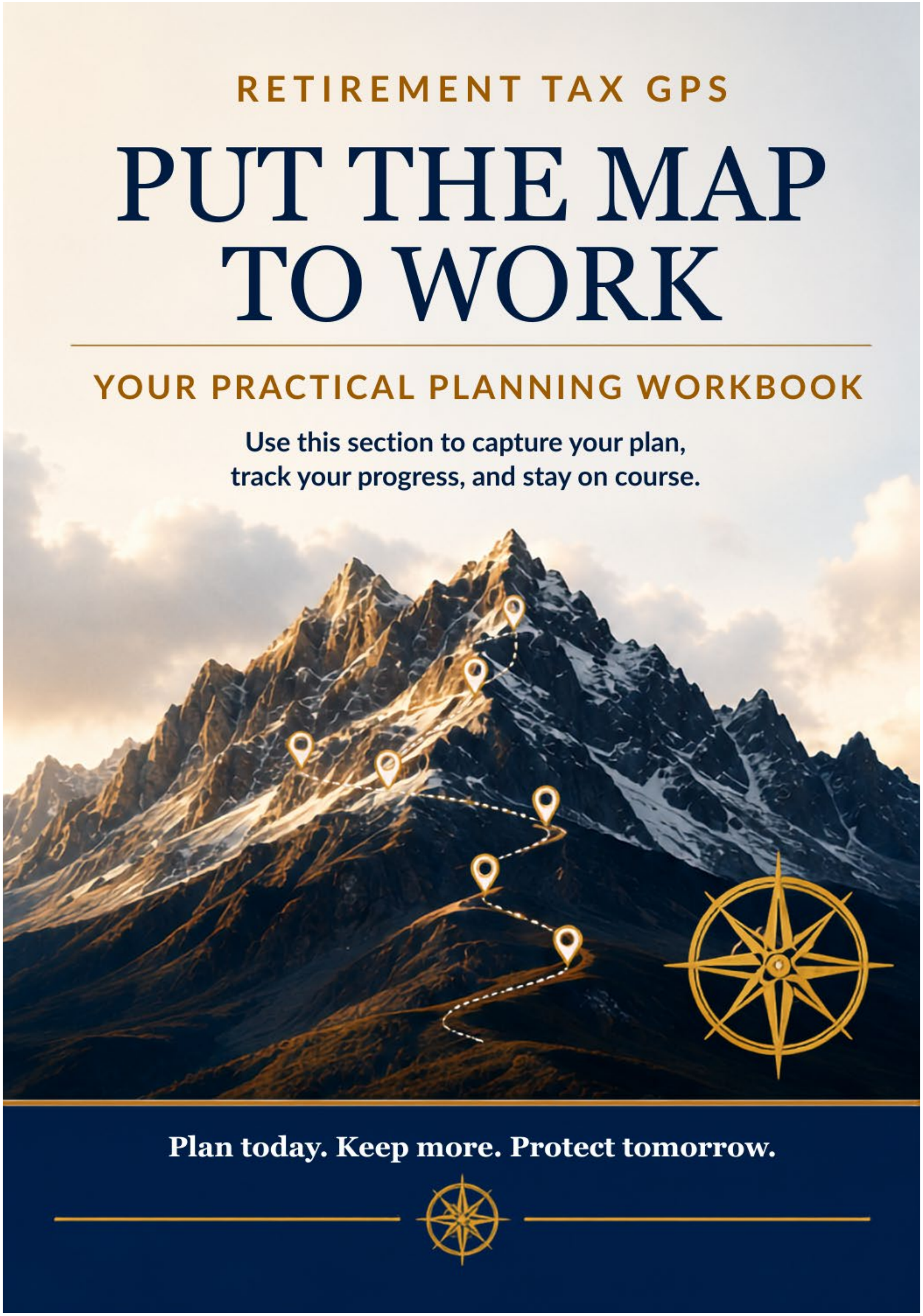
A deliberate decision to decline or delay can be sound planning. What matters is that the answer is deliberate, documented, and connected to the family's priorities.

The account statement is only the starting point. The real plan is the after-tax income the family can use, the flexibility it preserves, the protection it provides to a survivor, and the clarity it leaves for the people who may eventually need to step in.

You spent decades learning how to build wealth. The next part of the journey is learning how to use, preserve, and transfer it with your eyes open.

You have the map.

Now make the first move.


RETIREMENT TAX GPS
PUT THE MAP TO WORK
YOUR PRACTICAL PLANNING WORKBOOK
Use this section to capture your plan, track your progress, and stay on course.
Plan today. Keep more. Protect tomorrow.

PUT THE MAP TO WORK

WELCOME TO YOUR PLANNING WORKBOOK

This section gives you the tools to take action on your Retirement Tax GPS. Work through each page at your own pace and bring your completed worksheets to your planning meetings.

WHAT YOU WILL FIND HERE

HOW TO USE THIS WORKBOOK

- Complete one section at a time.
- Write your plans clearly and keep this workbook up to date.
- Review your plan at least once a year or whenever life changes.
- Bring your workbook to every important planning meeting.

You have the map.
NOW PUT IT TO WORK.

THE 10-STEP RETIREMENT TAX GPS QUICK REFERENCE

Use this checklist as a quick guide through the 10 steps.
Details for each step are in the main book.

STEP	KEY STEP	FOCUS	MY STATUS		
			NOW	LATER	NOT SURE
1	Cash Flow Compass – Build the Retirement Paycheck	Determine annual spending, dependable income, and the gap that must be funded from savings and investments, including what the income gap could look like for a surviving spouse.	☐	☐	☐
2	Bracket Mapping – Set the Year's Tax Range	Estimate the current-year tax range before adding a withdrawal, conversion, gain, or other income event, while considering planned events and leaving room for unknown year-end income.	☐	☐	☐
3	Income Threshold Check – Avoid Hidden Tax Traps	Look beyond tax brackets for Social Security taxation, Medicare-related costs, healthcare subsidies, deductions, credits, and other income-sensitive rules. Review current coverage, projected income, and one-time income events before making a decision.	☐	☐	☐
4	Tax-Aware Asset Location – Fueling Your Financial Engine	Review whether each investment and account are matched to the family's tax, liquidity, risk, reporting, and time-horizon needs, including the job each investment performs and when the money may be needed.	☐	☐	☐
5	Charitable GPS – Choose the Right Asset and Timing	Coordinate the asset, account, timing, and method used for charitable gifts, including whether the gift should be made directly, through a charitable vehicle, or under another current-law method.	☐	☐	☐
6	Tax Timing Strategies – Navigating Pay Now vs. Pay Later Choices	Compare the tradeoffs of recognizing income now versus deferring it to a later year, including current tax cost, expected future income, threshold effects, survivor consequences, and whether outside cash is available to pay the tax.	☐	☐	☐
7	Annual Tax GPS Review – Update the Route	Update the route when income, law, health, markets, family circumstances, or unfinished actions change. Identify what changed, what still needs to happen before year-end, and what can wait.	☐	☐	☐
8	Legacy Navigator – Align Beneficiaries, Estate Documents, and Taxes	Align beneficiaries, account titles, estate documents, tax characteristics, and family intentions. Confirm that beneficiary forms, legal documents, and family intentions agree and that pre-tax and after-tax inheritances are being compared fairly.	☐	☐	☐
9	Life Insurance Review – Decide Whether Life Insurance Solves a Defined Need	Determine whether a policy solves a measured need better than the available alternatives. Consider what happens without the policy, what alternatives are available, and whether the family can sustain the cost and contract risk.	☐	☐	☐
10	Personal Tax GPS Roadmap – Put the Plan Into Action	Assign the next action, owner, supporting professional, target date, and review point, including who must review it and when the decision should be revisited.	☐	☐	☐

RETIREMENT TAX GPS ACTION PLAN

Identify your priorities, the next steps, who owns them, and when to review. Use additional pages if needed.

PRIORITY / DECISION #1

NOTES

Why this matters: ______________________________

____

Next move: ______________________________

Owner: ______________ Target date: ___ / ___ / ___

Review point: ___ / ___ / ___

PRIORITY / DECISION #2

NOTES

Why this matters: ______________________________

____

Next move: ______________________________

Owner: ______________ Target date: ___ / ___ / ___

Review point: ___ / ___ / ___

PRIORITY / DECISION #3

NOTES

Why this matters: ______________________________

____

Next move: ______________________________

Owner: ______________ Target date: ___ / ___ / ___

Review point: ___ / ___ / ___

ANNUAL RETIREMENT TAX PLANNING CALENDAR

Use this calendar to stay ahead of key planning opportunities.
Check off items as you complete them.

JANUARY – FEBRUARY

- ☐ Review prior-year tax results and lessons
- ☐ Update income and spending estimates
- ☐ Review withholding and estimated tax plan

JULY – AUGUST

- ☐ Reassess income projections
- ☐ Review Medicare-related thresholds
- ☐ Plan for potential tax law changes

MARCH – APRIL

- ☐ Model Roth conversions and income strategies
- ☐ Review charitable giving plans
- ☐ Check investment allocation and risk

SEPTEMBER – OCTOBER

- ☐ Complete main year-end tax planning review
- ☐ Coordinate RMDs and QCDs
- ☐ Plan capital gains/losses and conversions

MAY – JUNE

- ☐ Review beneficiary designations
- ☐ Review estate documents
- ☐ Review life and disability insurance needs

NOVEMBER – DECEMBER

- ☐ Implement approved actions
- ☐ Confirm receipts and documentation
- ☐ Review plan for next year

WHEN MAJOR LIFE EVENTS OCCUR

Review your plan when any of these happen:

- Death of a spouse
- Marriage or divorce
- Inheritance
- Retirement-date change
- Pension election
- Major health event
- Move or relocation
- Business transaction
- Sale of property
- Significant market change
- Other major event

BRING THIS TO YOUR PLANNING MEETING

Gather what is available. Do not delay your meeting because one item is missing.

INCOME & SPENDING

- Current annual spending estimate
- Social Security benefit statements
- Pension election & start-date info
- Employment, consulting, rental, business, or other income
- Large planned purchases or gifts

ACCOUNTS & INVESTMENTS

- Statements for all accounts (taxable, retirement, Roth, HSA, etc.)
- Cost-basis information
- RMD & inherited-account information
- Employer stock / concentrated positions
- Cash reserves & near-term liquidity

TAX INFORMATION

- Most recent federal & state tax returns
- Current pay stubs / pension statements
- Estimated tax payments
- Carryforwards and other tax items
- Planned sales, conversions, distributions, or other transactions

LEGACY & PROTECTION

- Beneficiary designations
- Will, trust, power of attorney, healthcare directives
- Life, LTC, disability, and annuity policies
- Charitable intentions & gifting plans

IMPLEMENTATION & CONTACTS

- Top three questions for this meeting
- Names & contact info for CPA, attorney, advisor, insurance professional, trustee
- Existing action list & unfinished items
- Important decision dates & deadlines
- Person responsible for keeping the plan current

Glossary

These definitions summarize concepts discussed in the cited chapters. They are not substitutes for current statutes, regulations, plan documents, insurance contracts, or professional advice.

Adjusted Gross Income (AGI). A tax-return measure calculated after certain adjustments to gross income and before the standard or itemized deduction. Many tax and benefit rules begin with AGI or a modified version of it.

Asset Allocation. How investments are divided among categories such as stocks, bonds, cash, real estate, or other assets.

Asset Location. Which account holds a particular investment. The same investment can create different tax and access consequences depending on whether it is held in a taxable, tax-deferred, Roth, HSA, trust, or other account.

Basis / Cost Basis. Generally, the amount used to measure gain or loss for tax purposes. Basis can be affected by purchases, reinvestments, adjustments, gifts, inheritance, and other events.

Beneficiary. A person, trust, charity, estate, or other party designated to receive an account, policy benefit, or property after an owner's death.

Capital Gain. The gain recognized when a capital asset is sold for more than its adjusted tax basis. Rules vary by asset, holding period, account, and taxpayer.

Capital Loss. A loss recognized when a capital asset is sold for less than its adjusted tax basis. Limitations and netting rules apply.

Charitable Deduction. A deduction that may be available for qualifying gifts when current-law requirements are met. The tax result depends on the donor, asset, charity, timing, substantiation, and other factors.

Composite Example. A teaching example that combines or changes facts and is not intended to describe a specific client.

Defined Benefit Plan. A retirement plan that generally promises a benefit determined under a formula, often using compensation, service, and age.

Defined Contribution Plan. A retirement plan in which contributions are made to an individual account and the eventual value depends on contributions, investment results, fees, withdrawals, and plan rules.

Donor-Advised Fund (DAF). A charitable account sponsored by a qualified organization. Donors may recommend grants over time, subject to the sponsoring organization's control and rules.

Effective Tax Rate. A broad measure of total tax divided by a related measure of income. It is different from the marginal rate applied to the next layer of taxable income.

Eligible Designated Beneficiary. A category under inherited-retirement-account rules that may have options different from those available to many other beneficiaries. Current definitions and rules should be confirmed after an inheritance.

Estate Tax. A tax that may apply to a decedent's estate under federal or state law. Exemptions, rates, and state rules can change.

Fiduciary. A person or firm subject to fiduciary duties under an applicable law or relationship. The duties and their scope vary by role and circumstances. In the investment-adviser context, the federal fiduciary duty includes a duty of care and a duty of loyalty and applies according to the scope of the advisory relationship.

Filing Status. A federal income-tax classification such as married filing jointly, single, head of household, or another permitted status. Filing status affects tax calculations and can change after death or divorce.

Gift-Tax Annual Exclusion. An amount that may be gifted to a recipient during a year without using lifetime gift and estate-tax exemption when current-law requirements are met. The amount changes and should be verified for the applicable year.

Gross Income. Income included under the tax rules before applicable exclusions, adjustments, and deductions.

Health Savings Account (HSA). A tax-advantaged account available to eligible individuals. Contributions, growth, and withdrawals for qualified medical expenses can receive favorable treatment when requirements are met.

Inherited IRA. An IRA received by a beneficiary after the owner's death. Distribution options depend on the beneficiary, the original owner, account type, dates, and current law.

Income-Related Monthly Adjustment Amount (IRMAA). An additional Medicare premium amount that may apply based on income reported for an earlier year, subject to current rules and appeal provisions.

Investment Adviser. A person or firm that provides investment advice for compensation and is subject to applicable federal or state investment-adviser law. Registration does not imply a particular level of skill or training.[76]

Legacy Planning. The process of coordinating assets, beneficiaries, legal documents, taxes, family intentions, charitable goals, and implementation for incapacity and transfer at death.

Life Insurance Cash Value. Value that may build inside certain permanent life-insurance contracts. Access, guarantees, costs, loans, withdrawals, lapse risk, and tax treatment depend on the contract and circumstances.[77]

Long-Term Capital Gain. A gain from an asset held longer than the applicable long-term holding period. Preferential federal rates may apply to some gains, subject to current law and exceptions.

Marginal Tax Rate. The rate applied to the next layer of taxable income, not necessarily the rate applied to all income.

Medicare. The federal health-insurance program primarily for older Americans and certain other eligible individuals. Coverage, enrollment, premiums, and income-related adjustments follow current rules.

Modified Adjusted Gross Income (MAGI). AGI modified for a particular tax, benefit, or program calculation. MAGI is not one universal number; the definition depends on the rule being applied.

Municipal Bond. A debt obligation issued by a state, municipality, or related entity. Interest may receive favorable federal or state tax treatment in some circumstances, but risks and exceptions apply.

Net Unrealized Appreciation (NUA). A specialized tax rule that may apply to employer securities distributed from certain qualified plans. It is highly fact-sensitive and should be reviewed before employer stock is moved.

Ordinary Income. Income taxed under ordinary income-tax rates, such as wages, taxable interest, and the taxable portions of pension payments and traditional retirement-account withdrawals.

Pension. A retirement-income arrangement. A traditional pension is often a defined benefit plan, but the term can be used broadly and plan-specific rules control.

Private Investment. An investment not traded in the same way as a publicly listed security. Private investments can involve eligibility restrictions, limited liquidity, valuation uncertainty, fees, and complex tax reporting.

Qualified Charitable Distribution (QCD). A distribution paid directly by an IRA trustee from an eligible IRA to an eligible organization that may receive special tax treatment when current-law requirements are met.

Qualified Withdrawal. A distribution that meets the applicable requirements for favorable tax treatment. The definition depends on the account or product.

Required Beginning Date. The date used under retirement-account rules to determine when required minimum distributions are scheduled to begin. It can also affect inherited-account rules.

Required Minimum Distribution (RMD). A minimum amount that may be required to be distributed from certain retirement accounts based on age, account, beneficiary, and current law.

Roth Conversion. The movement of eligible retirement money into a Roth account. A conversion may create taxable income in the year of conversion, depending on the amount converted and any after-tax basis.

Roth IRA. An individual retirement account generally funded with after-tax dollars. Qualified withdrawals may be tax-free, subject to current rules.

Sequence-of-Return Risk. The risk that poor investment returns early in retirement, combined with withdrawals, may cause more damage than the same returns occurring later.

Social Security Taxation. The rules that may cause part of Social Security benefits to be included in taxable income based on the household's income calculation.

Step-Up or Basis Adjustment at Death. A potential adjustment to the tax basis of certain inherited property. The rule does not apply in every situation and should be reviewed under current law.

Tax Bracket. A range of taxable income subject to a stated marginal tax rate.

Tax-Deferred. Tax postponed until a later event, often a withdrawal or sale. Deferred does not mean permanently tax-free.

Tax-Exempt. Income or an asset category excluded from a particular tax under applicable rules. Tax-exempt for one purpose does not necessarily mean exempt for every calculation.

Tax-Free. A common description for income not included in tax under applicable rules. The requirements, exceptions, and reporting still matter.

Taxable Account. An account that does not receive the same broad tax deferral as a traditional retirement account or the same potential qualified-withdrawal treatment as a Roth account.

Tax-Loss Harvesting. Selling an investment at a loss to realize a tax loss, usually in a taxable account, subject to netting, wash-sale, and other rules.

Traditional IRA. An individual retirement account that may allow deductible or nondeductible contributions and generally provides tax-deferred growth. Taxable withdrawals are generally included as ordinary income.[78]

Ten-Year Rule. A general term for inherited-account rules that may require an account to be emptied by the end of a ten-year period. Annual-distribution requirements and exceptions depend on the facts and current law.[79]

529 Plan. A tax-advantaged education-savings program sponsored by a state or institution. Contribution, gift, investment, withdrawal, and rollover rules should be verified under current law.[80]

Withholding. Tax paid during the year from wages, pensions, Social Security in some cases, retirement distributions, and other payments. Withholding can be adjusted subject to applicable rules.[81]

Resources and Consumer Tools

The following official government and consumer websites provide general information, account-access tools, and additional research resources. This list is provided for reader convenience and is not the citation record for this book. Authorities supporting specific factual claims appear in the Notes and Sources section. Laws, limits, agency guidance, and website addresses may change. Confirm current information and consult qualified professionals familiar with your individual circumstances before acting.

Internal Revenue Service (IRS)
Federal tax forms, publications, retirement-account guidance, charitable-giving information, and current tax limits.
General website: irs.gov
Retirement-plan information: irs.gov/retirement-plans

The IRS maintains current retirement-plan forms, publications, IRA information, and required-minimum-distribution guidance.

Social Security Administration (SSA)
Benefit estimates, Social Security Statements, earnings records, claiming information, and program guidance.
Website: ssa.gov
Personal account and benefit statement: ssa.gov/myaccount

A personal my Social Security account provides access to benefit estimates, earnings information, and the user's Social Security Statement.

Medicare
Enrollment, coverage, premiums, plan options, claims, complaints, and appeals information.
Website: medicare.gov

Medicare's official website provides enrollment, cost, coverage, and appeals resources.

HealthCare.gov — Health Insurance Marketplace
Marketplace coverage, enrollment, premium tax credits, and other income-related healthcare savings.
Website: healthcare.gov

HealthCare.gov is the federal Health Insurance Marketplace website and includes tools for checking eligibility, estimating potential savings, comparing plans, and enrolling in coverage.

Investor.gov — U.S. Securities and Exchange Commission
Investor education, financial tools, fraud alerts, and resources for researching investments and financial professionals.
Website: investor.gov

Investor.gov is the SEC's investor-education website and includes tools for checking the background of investment professionals.

Investment Adviser Public Disclosure (IAPD)
Registration, Form ADV, and disclosure information for SEC-registered and most state-registered investment-

adviser firms and representatives.
Website: adviserinfo.sec.gov

The SEC identifies IAPD as the public database for researching investment advisers and their regulatory filings.

FINRA BrokerCheck
Registration, employment-history, qualification, and disclosure information for brokerage firms and registered securities professionals.
Website: brokercheck.finra.org

BrokerCheck is FINRA's free tool for researching brokerage firms and securities professionals.

U.S. Department of Labor — Employee Benefits Security Administration (EBSA)
Information about workplace retirement plans, health plans, participant rights, and benefit-plan assistance.
Website: dol.gov/agencies/ebsa

EBSA provides guidance and assistance concerning employer-sponsored retirement and health-benefit plans.

Pension Benefit Guaranty Corporation (PBGC)
Information concerning certain private-sector defined-benefit pension plans, pension guarantees, benefit management, and unclaimed pension benefits.
Website: pbgc.gov

PBGC provides information and services for workers and retirees participating in covered private-sector pension plans.

National Association of Insurance Commissioners (NAIC) and State Insurance Regulators
Insurance education, company information, consumer resources, complaint information, and contact information for state insurance regulators.
Consumer resources: content.naic.org/consumer
State insurance regulator directory: content.naic.org/state-insurance-departments

The NAIC's directory connects consumers directly with the insurance regulator for each state or jurisdiction.

Congress.gov
Federal legislation, bill status, enacted public laws, legislative history, and related statutory materials.
Website: congress.gov

Congress.gov is the official website for U.S. federal legislative information and is maintained by the Library of Congress.

Qualified Professional Guidance
A financial advisor, CPA or enrolled agent, estate-planning attorney, insurance professional, plan administrator, trustee, or another qualified professional who understands your complete circumstances.

Notes and Sources

Currency of Information

Tax, retirement, Social Security, Medicare, estate, and related legal information in this book was reviewed through August 7, 2026. Laws, thresholds, administrative guidance, and interpretations may change after that date.

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Acknowledgments

My special thanks to my wife Jami, and my amazing team Heather Imel, Rosielle Dela Cruz, Ava Gomes, and Stella Smith for helping shape, edit, organize, verify, and prepare this book. Each of you contributed in meaningful ways, and your creativity, insight, persistence, and attention to detail made these pages stronger.

To my children—Trae, Kristina, and Brandon—and my grandchildren—Ava, Quincy, and Leah—thank you for the joy, perspective, and purpose you bring to my life. Being a dad and "PopPop" has been one of my greatest privileges.

I am also grateful to the clients, families, and professionals I have had the opportunity to know and work with over the years. Your questions, experiences, and trust have shaped the way I approach retirement planning and many of the ideas shared in this book. The examples in these pages protect individual privacy, while the lessons behind them reflect years of listening carefully to the real decisions families face.

Above all, I am grateful to Almighty God for continued health, energy, wisdom, and guidance.

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Tony Gomes is the author of *Life Integrated Financial Freedom* and *Retirement Tax GPS* and the founder and chief executive officer of Advanced Wealth Management, LLC. For more than two decades, he has worked with pre-retirees, retirees, business owners, and families facing complex retirement and wealth decisions.

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Tony Gomes is an author, retirement planning specialist, and Founder and CEO of Advanced Wealth Management and Boutique Family Office®. He helps families coordinate retirement income, investments, taxes, insurance, and legacy decisions around one comprehensive financial plan.

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