

The background is a dark blue gradient with a subtle pattern of financial documents. On the left, a calculator is visible with buttons for '8', '9', '6', '+', '=', 'CM', 'RM', 'M-', 'CA', 'M+', 'ON', and 'C'. In the center and right, there are faint images of a pen and a document with various numbers and dates. The text is centered and reads:

RETIREMENT INCOME & TAX STRATEGIES THE SECURE ACT UPDATE



TODAY'S AGENDA

**TERMS TO KNOW
CALCULATING YOUR TAXES**

2020 SECURE ACT

**OFTEN MISSED LONG TERM PLANNING
OPPORTUNITIES**

SOCIAL SECURITY

**RETIREMENT PLANNING — PUTTING IT
ALL TOGETHER**

TERMS TO KNOW

Gross Income

- Deductions
-

Adjusted Gross Income (AGI)

- Standard Deduction or Itemized Deduction
-

= Taxable Income

The background features a dark blue gradient with a faint image of hands holding several stacks of coins. On the left side, there is a decorative, wavy white border.

TERMS TO KNOW

Qualified Money Vs
Non-Qualified Money

TERMS TO KNOW

Capital Gains

- Short Term
- Long Term



TAX BRACKETS FOR: MARRIED TAXPAYERS FILING JOINTLY

2019		2020	
10%	\$0 - \$19,400	10%	\$0 - \$19,750
12%	\$19,401 - \$78,950	12%	\$19,751 - \$80,250
22%	\$78,951 - \$168,400	22%	\$80,250 - \$171,050
24%	\$168,401 - \$321,450	24%	\$171,051 - \$326,600
32%	\$321,451 - \$400,200	32%	\$326,601 - \$414,700
35%	\$400,210 - \$612,350	35%	\$414,700 - \$622,050
37%	\$612,350 or more	37%	\$622,301 or more

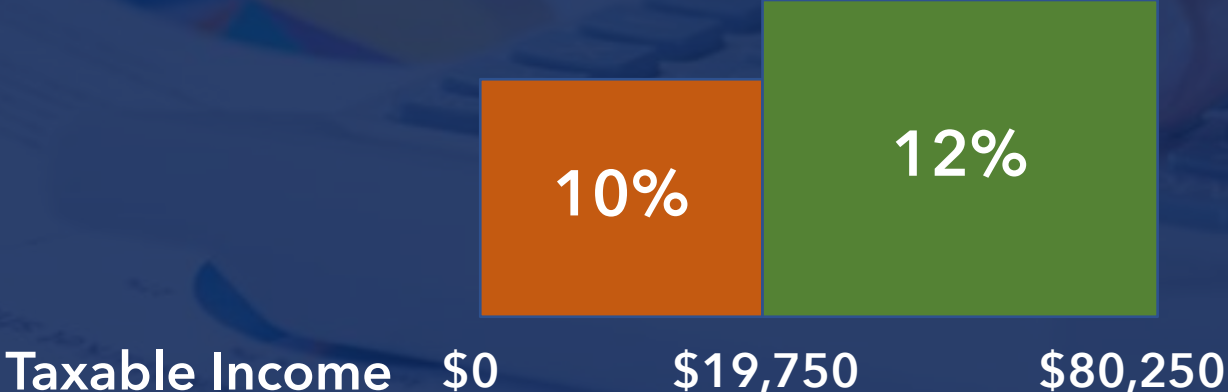
Standard deduction: \$24,400
Personal Exemption: Eliminated

Standard deduction: \$24,800
Personal Exemption: Eliminated

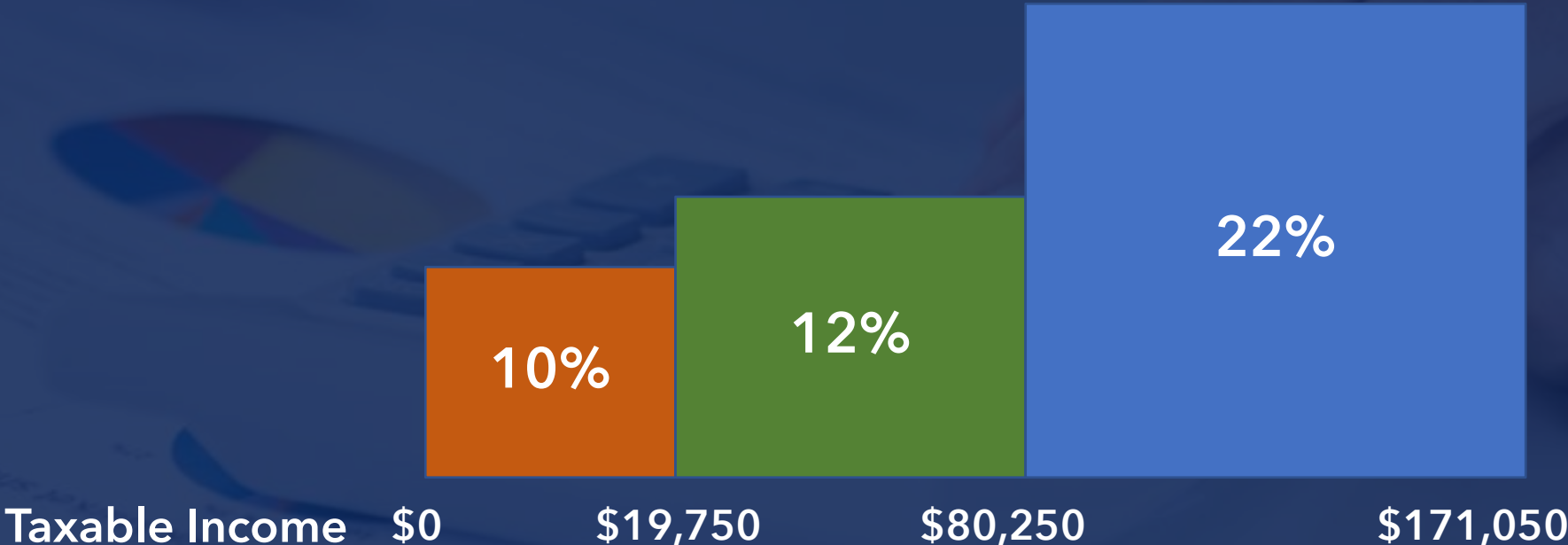
THIS IS HOW YOUR TAXES ARE CALCULATED



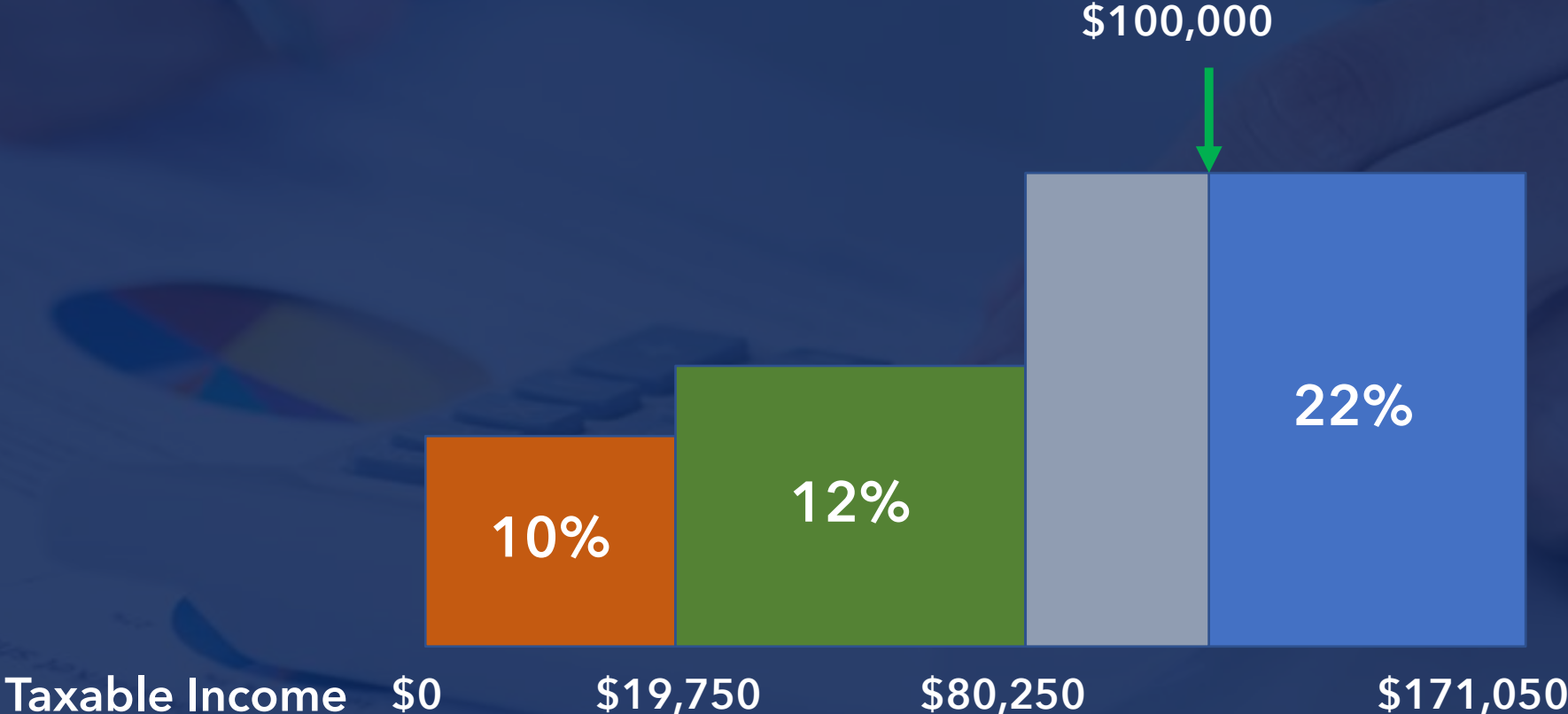
THIS IS HOW YOUR TAXES ARE CALCULATED



THIS IS HOW YOUR TAXES ARE CALCULATED



THIS IS HOW YOUR TAXES ARE CALCULATED



EXAMPLE OF HOW TAXES ARE CALCULATED

JACK, 72 AND JILL, 68

AGI \$150,000

EXAMPLE OF HOW TAXES ARE CALCULATED

JACK, 72 AND JILL, 68

AGI	\$150,000
Standard Deduction	- 24,800

EXAMPLE OF HOW TAXES ARE CALCULATED

JACK, 72 AND JILL, 68

AGI	\$150,000
Standard Deduction	-24,800
65+	-2,600

EXAMPLE OF HOW TAXES ARE CALCULATED

JACK, 72 AND JILL, 68

AGI	\$150,000
Standard Deduction	-24,800
65+	-2,600
<hr/>	
Taxable Income	\$122,600

EXAMPLE OF HOW TAXES ARE CALCULATED

JACK, 72 AND JILL, 68

$$0 - 19,750 \times 10\% = \$1,975$$

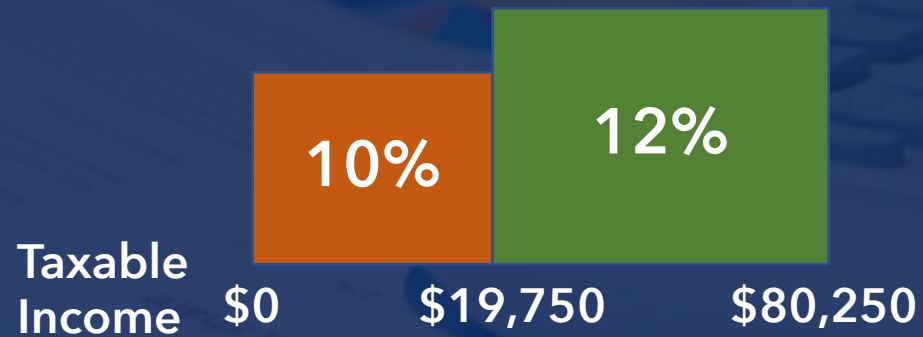
10%

Taxable Income	\$0	\$19,750
-------------------	-----	----------

EXAMPLE OF HOW TAXES ARE CALCULATED

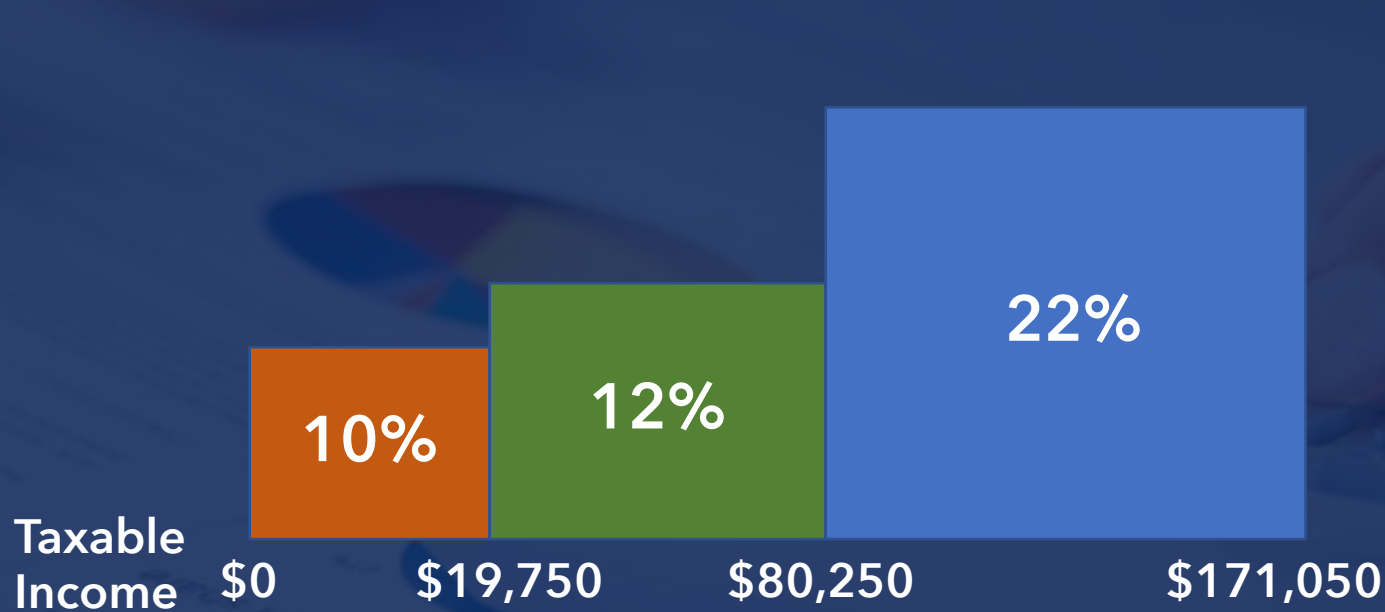
JACK, 72 AND JILL, 68

$$0 - 19,750 \quad X \quad 10\% = \$1,975$$
$$19,751 - 80,250 \quad X \quad 12\% = \$7,260$$



EXAMPLE OF HOW TAXES ARE CALCULATED

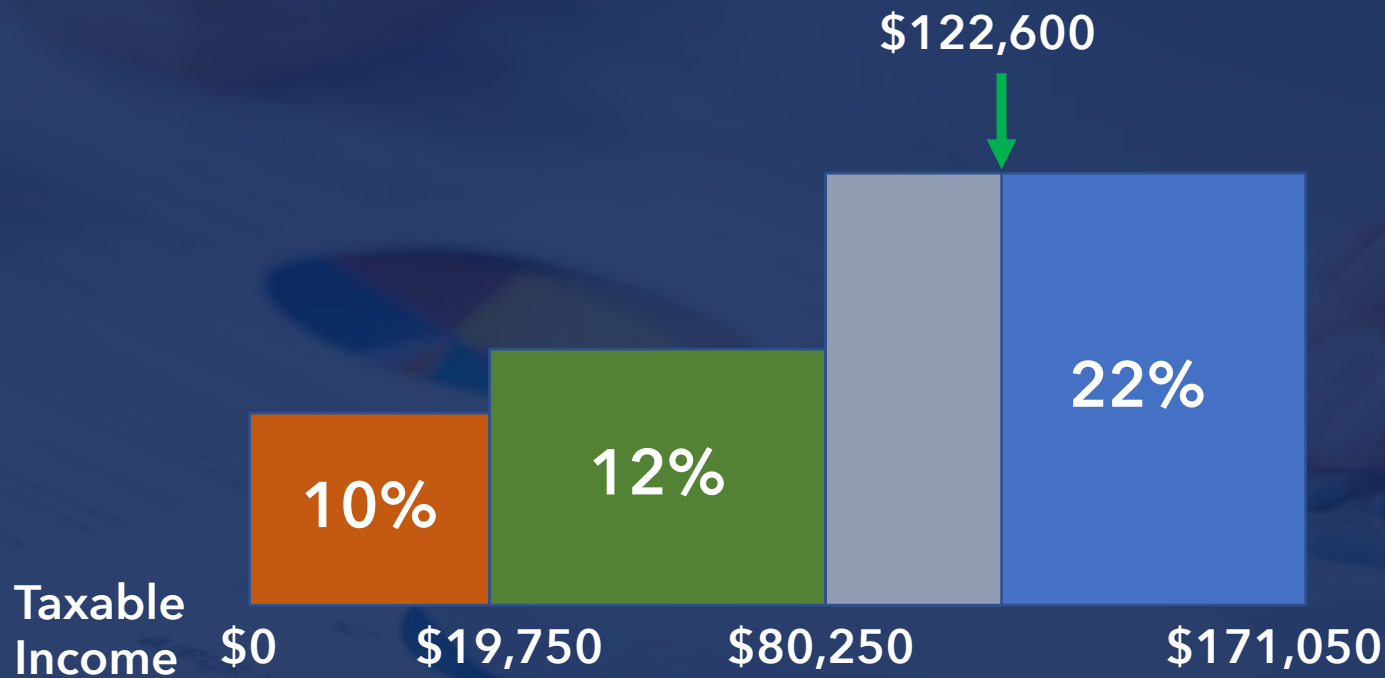
JACK, 72 AND JILL, 68



$$0 - 19,750 \times 10\% = \$1,975$$
$$19,751 - 80,250 \times 12\% = \$7,260$$

EXAMPLE OF HOW TAXES ARE CALCULATED

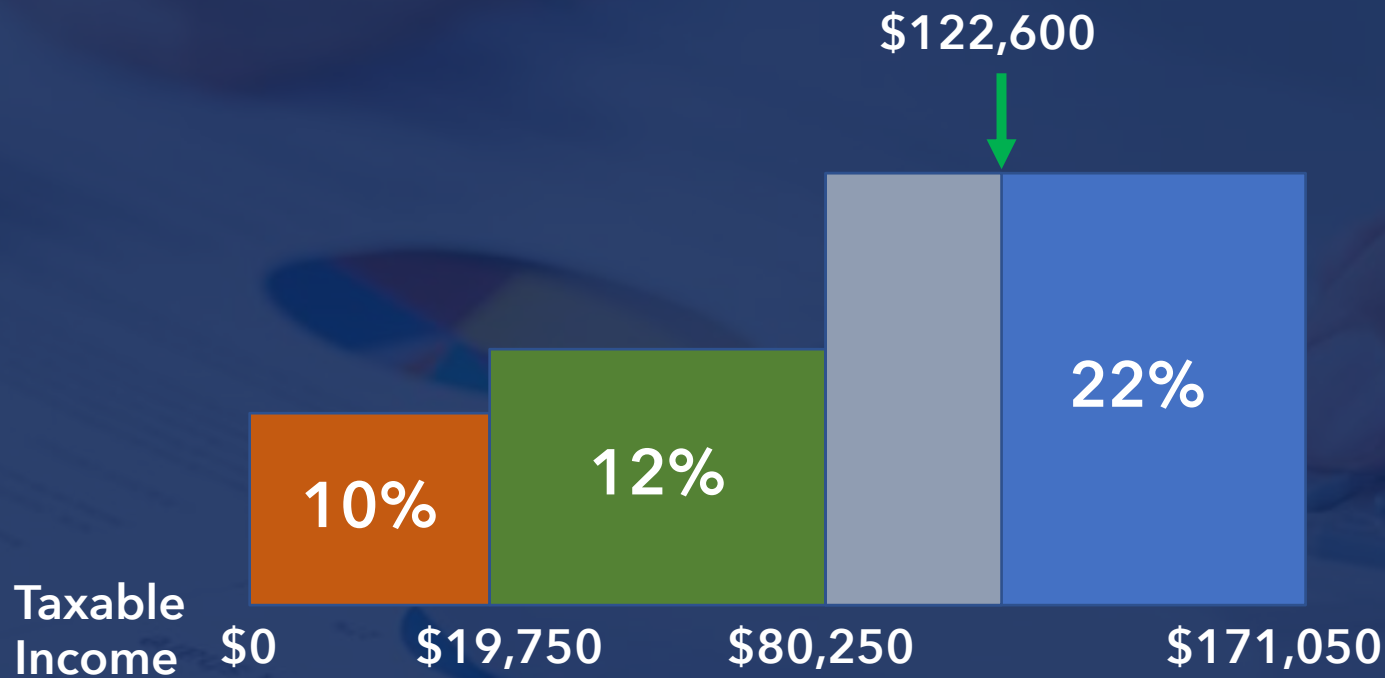
JACK, 72 AND JILL, 68



$$\begin{aligned} 0 - 19,750 & \times 10\% = \$1,975 \\ 19,751 - 80,250 & \times 12\% = \$7,260 \\ 80,251 - 122,600 & \times 22\% = \$9,317 \end{aligned}$$

EXAMPLE OF HOW TAXES ARE CALCULATED

JACK, 72 AND JILL, 68

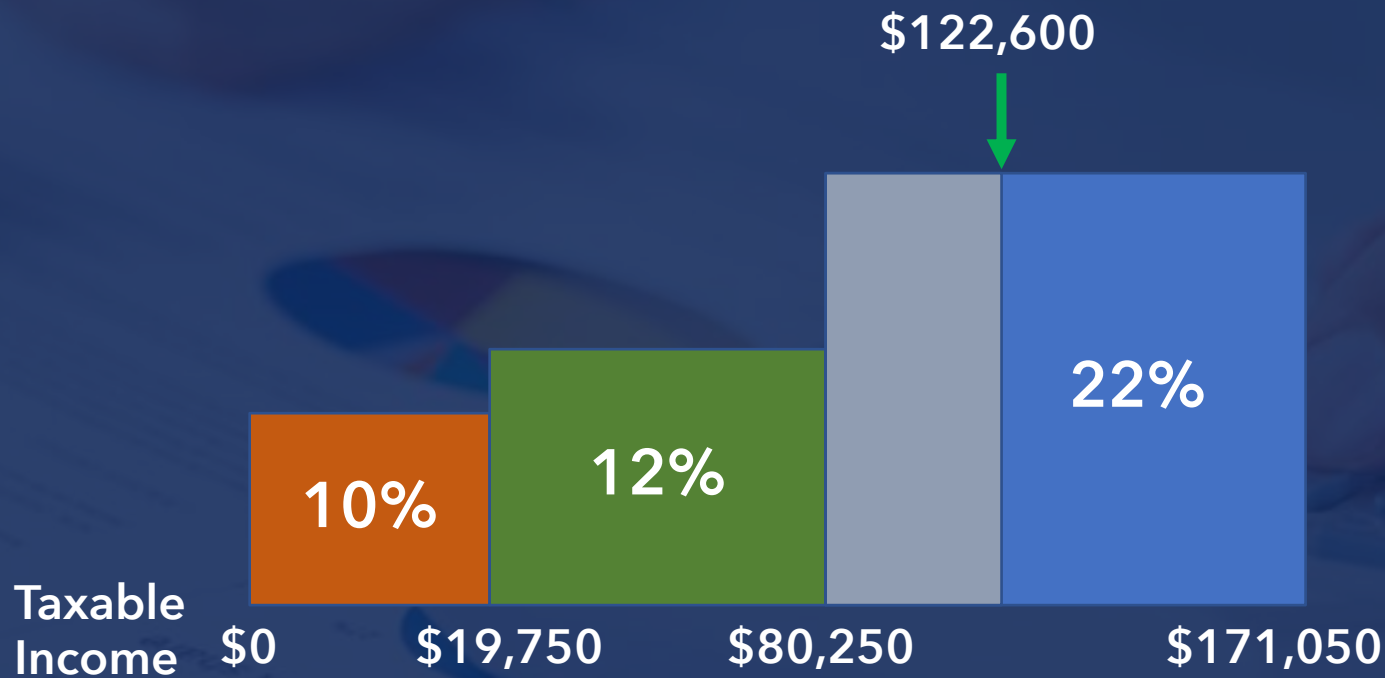


$$\begin{aligned} 0 - 19,750 \quad X 10\% &= \$1,975 \\ 19,751 - 80,250 \quad X 12\% &= \$7,260 \\ 80,251 - 122,600 \quad X 22\% &= \$9,317 \end{aligned}$$

\$18,552

EXAMPLE OF HOW TAXES ARE CALCULATED

JACK, 72 AND JILL, 68



$$\begin{aligned} 0 - 19,750 \times 10\% &= \$1,975 \\ 19,751 - 80,250 \times 12\% &= \$7,260 \\ 80,251 - 122,600 \times 22\% &= \$9,317 \end{aligned}$$

\$18,552

$$\$122,600 \times 22\% = \$26,972$$

LONG TERM CAPITAL GAINS BRACKETS

MARRIED FILING JOINT (MFJ)

Capital Gains Brackets	2019 Taxable Income	2020 Taxable Income
0%	\$0-\$78,750	\$0-\$80,000
15%	\$78,750-\$488,850	\$80,000-\$496,600
20%	\$488,851 or more	\$496,600 or more



TAX TIP ON CAPITAL GAINS

STORY OF JILL AND MOM

TAX TIP ON CAPITAL GAINS

STORY OF JILL AND MOM

They sold their house. Capital Gains \$150,000

Jill's Capital Gains	\$75,000	Mom's Capital Gains	\$75,000
----------------------	----------	---------------------	----------

TAX TIP ON CAPITAL GAINS

STORY OF JILL AND MOM

They sold their house. Capital Gains \$150,000

Jill's Capital Gains	\$75,000	Mom's Capital Gains	\$75,000
		Mom's Taxable Income	\$50,000

TAX TIP ON CAPITAL GAINS

STORY OF JILL AND MOM

They sold their house. Capital Gains \$150,000

Jill's Capital Gains	\$75,000	Mom's Capital Gains	\$75,000
		Mom's Taxable Income	\$50,000

\$125,000

TAX TIP ON CAPITAL GAINS

STORY OF JILL AND MOM

They sold their house. Capital Gains \$150,000

Jill's Capital Gains	\$75,000	Mom's Capital Gains	\$75,000
		Mom's Taxable Income	\$50,000

\$125,000

- 80,000

TAX TIP ON CAPITAL GAINS

STORY OF JILL AND MOM

They sold their house. Capital Gains \$150,000

Jill's Capital Gains	\$75,000	Mom's Capital Gains	\$75,000
		Mom's Taxable Income	\$50,000

\$125,000

- 80,000

\$45,000

x 15% = \$6,750

2020 SECURE ACT

ENACTED BY POTUS DECEMBER 12TH 2019

“The SECURE Act is one of the most dynamic changes to retirement legislation since the Pension Protection Act of 2006”


Forbes - January 10, 2020

2020 SECURE ACT

CHANGE IN REQUIRED MINIMUM DISTRIBUTIONS (RMDs)

RMDs currently begin at age 72

← Here is the IRS RMD worksheet.
Contact me for a copy - 909-566-2111

 **IRA Required Minimum Distribution Worksheet**

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 72 ½ - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____

2. Distribution period from the table below for your age on your birthday this year. _____

3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____

4. Repeat steps 1 through 3 for each of your IRAs.

Table B (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
69	27.4	81	17.1	84	9.1	100	4.5
71	25.5	83	15.3	85	8.8	101	4.5
72	25.0	84	15.2	86	8.1	102	4.5
73	24.7	85	14.8	87	7.6	103	4.4
74	23.9	86	14.1	88	7.1	104	4.1
75	23.9	87	13.4	89	6.7	105	3.9
76	23.0	88	12.7	90	6.3	106	3.8
77	21.2	89	12.0	91	5.9	107	3.4
78	20.3	90	11.4	92	5.5	108	3.1
79	19.5	91	10.8	93	5.2	109 and over	2.9
80	18.7	92	10.2	94	4.9		
81	17.9	93	9.6	95	4.5		

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Retirement Topics - Required Minimum Distributions](#)

¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and recharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.

2020 SECURE ACT

EXAMPLE OF HOW TO CALCULATE RMDS



IRA Required Minimum Distribution Worksheet

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 70 ½ - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____
2. Distribution period from the table below for your age on your birthday this year. _____
3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____
4. Repeat steps 1 through 3 for each of your IRAs.

Table B (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
59	27.4	69	17.1	84	0.1	100	2.0
71	25.5	83	15.3	95	0.8	107	2.9
72	25.0	84	15.2	96	0.7	108	2.7
73	24.7	85	14.8	97	1.6	109	3.4
74	23.8	86	14.1	98	1.1	110	3.1
75	22.9	87	13.4	99	0.7	111	2.9
86	22.0	88	12.7	100	0.7	112	2.8
77	21.2	89	12.0	101	5.8	113	2.4
78	20.3	90	11.4	102	5.2	114	2.1
79	19.5	91	10.6	103	5.2	115 and over	1.9
80	18.7	92	10.2	104	4.9		
81	17.9	93	9.8	105	4.5		

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Retirement Topics -- Required Minimum Distributions](#)

¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and noncharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.

Jack (age 72)

\$100,000 IRA

2020 SECURE ACT

EXAMPLE OF HOW TO CALCULATE RMDS



IRA Required Minimum Distribution Worksheet

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 70 1/2 - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____
2. Distribution period from the table below for your age on your birthday this year. _____
3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____
4. Repeat steps 1 through 3 for each of your IRAs.

Table B (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
59	27.4	69	17.1	84	0.1	100	2.0
61	25.5	71	15.3	85	0.8	101	2.0
62	25.0	72	15.2	86	0.1	102	2.1
63	24.7	73	14.8	87	1.6	103	2.4
64	23.8	74	14.1	88	1.1	104	2.1
65	22.9	75	13.4	89	0.7	105	2.0
66	22.0	76	12.7	90	0.3	106	2.0
67	21.2	77	12.0	91	5.8	107	2.4
68	20.3	78	11.4	92	2.2	108	2.1
69	19.5	79	10.6	93	5.2	109 and over	1.0
80	18.7	80	10.2	94	4.0		
81	17.9	81	9.8	95	4.5		

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Retirement Topics -- Required Minimum Distributions](#)

¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and noncharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.

Jack (age 72)

\$100,000 IRA

RMD Factor

25.6 (÷ into gross qualified money)

2020 SECURE ACT

EXAMPLE OF HOW TO CALCULATE RMDs

Jack (age 72) \$100,000 IRA

RMD Factor 25.6 (÷ into gross qualified money)

= RMD

\$3,906 What will Jack pay in taxes?
 Jack's tax bracket is 22% = \$859.32
 mandatory federal tax to be paid.
 This leaves Jack with \$3,046.68 to
 spend or reinvest in a non-qualified
 investment.

IRA Required Minimum Distribution Worksheet

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 70 ½ - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____

2. Distribution period from the table below for your age on your birthday this year. _____

3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____

4. Repeat steps 1 through 3 for each of your IRAs.

Table B (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
55	27.4	61	27.1	64	26.9	69	26.5
56	27.3	62	27.0	65	26.8	70	26.4
57	27.2	63	26.9	66	26.7	71	26.3
58	27.1	64	26.8	67	26.6	72	26.2
59	27.0	65	26.7	68	26.5	73	26.1
60	26.9	66	26.6	69	26.4	74	26.0
61	26.8	67	26.5	70	26.3	75	25.9
62	26.7	68	26.4	71	26.2	76	25.8
63	26.6	69	26.3	72	26.1	77	25.7
64	26.5	70	26.2	73	26.0	78	25.6
65	26.4	71	26.1	74	25.9	79	25.5
66	26.3	72	26.0	75	25.8	80	25.4
67	26.2	73	25.9	76	25.7	81	25.3
68	26.1	74	25.8	77	25.6		
69	26.0	75	25.7	78	25.5		
70	25.9	76	25.6	79	25.4		
71	25.8	77	25.5	80	25.3		
72	25.7	78	25.4	81	25.2		
73	25.6	79	25.3	82	25.1		
74	25.5	80	25.2	83	25.0		
75	25.4	81	25.1	84	24.9		
76	25.3	82	25.0	85	24.8		
77	25.2	83	24.9	86	24.7		
78	25.1	84	24.8	87	24.6		
79	25.0	85	24.7	88	24.5		
80	24.9	86	24.6	89	24.4		
81	24.8	87	24.5	90	24.3		
82	24.7	88	24.4	91	24.2		
83	24.6	89	24.3	92	24.1		
84	24.5	90	24.2	93	24.0		
85	24.4	91	24.1	94	23.9		
86	24.3	92	24.0	95	23.8		
87	24.2	93	23.9	96	23.7		
88	24.1	94	23.8	97	23.6		
89	24.0	95	23.7	98	23.5		
90	23.9	96	23.6	99	23.4		
91	23.8	97	23.5	100	23.3		
92	23.7	98	23.4				
93	23.6	99	23.3				
94	23.5	100	23.2				
95	23.4		23.1				
96	23.3		23.0				
97	23.2		22.9				
98	23.1		22.8				
99	23.0		22.7				
100	22.9		22.6				

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Retirement Topics -- Required Minimum Distributions](#)

¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and noncharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.

2020 SECURE ACT

EXAMPLE OF HOW TO CALCULATE RMDS

Jack (age 72) \$100,000 IRA

RMD Factor 25.6 (÷ into gross qualified money)

= RMD

\$3,906 What will Jack pay in taxes?
 Jack's tax bracket is 22% = \$859.32
 mandatory federal tax to be paid.
 This leaves Jack with \$3,046.68 to
 spend or reinvest in a non-qualified
 investment.

Jack (age 80) \$100,000 IRA

IRA Required Minimum Distribution Worksheet

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 70 ½ - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____

2. Distribution period from the table below for your age on your birthday this year. _____

3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____

4. Repeat steps 1 through 3 for each of your IRAs.

Table B (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
55	27.4	61	27.1	64	26.9	69	26.5
56	27.3	62	27.0	65	26.8	70	26.4
57	27.2	63	26.9	66	26.7	71	26.3
58	27.1	64	26.8	67	26.6	72	26.2
59	27.0	65	26.7	68	26.5	73	26.1
60	26.9	66	26.6	69	26.4	74	26.0
61	26.8	67	26.5	70	26.3	75	25.9
62	26.7	68	26.4	71	26.2	76	25.8
63	26.6	69	26.3	72	26.1	77	25.7
64	26.5	70	26.2	73	26.0	78	25.6
65	26.4	71	26.1	74	25.9	79	25.5
66	26.3	72	26.0	75	25.8	80	25.4
67	26.2	73	25.9	76	25.7	81	25.3
68	26.1	74	25.8	77	25.6		
69	26.0	75	25.7	78	25.5		
70	25.9	76	25.6	79	25.4		
71	25.8	77	25.5	80	25.3		
72	25.7	78	25.4	81	25.2		
73	25.6	79	25.3	82	25.1		
74	25.5	80	25.2				
75	25.4	81	25.1				
76	25.3						
77	25.2						
78	25.1						
79	25.0						
80	24.9						
81	24.8						
82	24.7						

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Retirement Topics -- Required Minimum Distributions](#)

¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and noncharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.

2020 SECURE ACT

EXAMPLE OF HOW TO CALCULATE RMDS

Jack (age 72) \$100,000 IRA

RMD Factor 25.6 (÷ into gross qualified money)

= RMD

\$3,906 What will Jack pay in taxes?
Jack's tax bracket is 22% = \$859.32
mandatory federal tax to be paid.
This leaves Jack with \$3,046.68 to
spend or reinvest in a non-qualified
investment.

Jack (age 80) \$100,000 IRA

RMD Factor 18.7 It appears to be lower but it is actually higher.

= RMD

\$5,348



IRA Required Minimum Distribution Worksheet

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 70 ½ - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____
2. Distribution period from the table below for your age on your birthday this year. _____
3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____
4. Repeat steps 1 through 3 for each of your IRAs.

Table B (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
55	27.4	81	17.1	84	0.1	188	4.5
56	27.5	82	17.2	85	0.2	187	4.5
57	27.6	83	17.3	86	0.3	186	4.5
58	27.7	84	17.4	87	0.4	185	4.5
59	27.8	85	17.5	88	0.5	184	4.5
60	27.9	86	17.6	89	0.6	183	4.5
61	28.0	87	17.7	90	0.7	182	4.5
62	28.1	88	17.8	91	0.8	181	4.5
63	28.2	89	17.9	92	0.9	180	4.5
64	28.3	90	18.0	93	1.0	179	4.5
65	28.4	91	18.1	94	1.1	178	4.5
66	28.5	92	18.2	95	1.2	177	4.5
67	28.6	93	18.3	96	1.3	176	4.5
68	28.7	94	18.4	97	1.4	175	4.5
69	28.8	95	18.5	98	1.5	174	4.5
70	28.9	96	18.6	99	1.6	173	4.5
71	29.0	97	18.7	100	1.7	172	4.5
72	29.1	98	18.8	101	1.8	171	4.5
73	29.2	99	18.9	102	1.9	170	4.5
74	29.3	100	19.0	103	2.0	169	4.5
75	29.4	101	19.1	104	2.1	168	4.5
76	29.5	102	19.2	105	2.2	167	4.5
77	29.6	103	19.3	106	2.3	166	4.5
78	29.7	104	19.4	107	2.4	165	4.5
79	29.8	105	19.5	108	2.5	164	4.5
80	29.9	106	19.6	109	2.6	163	4.5
81	30.0	107	19.7	110	2.7	162	4.5
82	30.1	108	19.8	111	2.8	161	4.5
83	30.2	109	19.9	112	2.9	160	4.5
84	30.3	110	20.0	113	3.0	159	4.5
85	30.4	111	20.1	114	3.1	158	4.5
86	30.5	112	20.2	115	3.2	157	4.5
87	30.6	113	20.3	116	3.3	156	4.5
88	30.7	114	20.4	117	3.4	155	4.5
89	30.8	115	20.5	118	3.5	154	4.5
90	30.9	116	20.6	119	3.6	153	4.5
91	31.0	117	20.7	120	3.7	152	4.5
92	31.1	118	20.8	121	3.8	151	4.5
93	31.2	119	20.9	122	3.9	150	4.5
94	31.3	120	21.0	123	4.0	149	4.5
95	31.4	121	21.1	124	4.1	148	4.5
96	31.5	122	21.2	125	4.2	147	4.5
97	31.6	123	21.3	126	4.3	146	4.5
98	31.7	124	21.4	127	4.4	145	4.5
99	31.8	125	21.5	128	4.5	144	4.5
100	31.9	126	21.6	129	4.6	143	4.5

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Retirement Topics -- Required Minimum Distributions](#)

¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and noncharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.

2020 SECURE ACT

EXAMPLE OF HOW TO CALCULATE RMDs

PENALTY for none compliance on RMDs

Jack (age 72)

\$100,000 IRA

RMD Factor

25.6

(÷ into gross qualified money)

= RMD

\$3,906



IRA Required Minimum Distribution Worksheet

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 70 1/2 - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____
2. Distribution period from the table below for your age on your birthday this year. _____
3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____
4. Repeat steps 1 through 3 for each of your IRAs.

Table B (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
55	27.4	81	17.1	84	0.1	100	4.0
56	26.5	82	16.3	85	0.8	101	3.9
57	25.6	83	15.5	86	1.5	102	3.7
58	24.7	84	14.8	87	2.2	103	3.5
59	23.8	85	14.1	88	2.9	104	3.3
60	22.9	86	13.4	89	3.6	105	3.1
61	22.0	87	12.7	90	4.3	106	2.9
62	21.2	88	12.0	91	5.0	107	2.7
63	20.3	89	11.4	92	5.7	108	2.5
64	19.5	90	10.8	93	6.4	109	2.3
65	18.7	91	10.2	94	7.1	110	2.1
66	17.9	92	9.6	95	7.8	111	1.9
						112 and over	1.0

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Retirement Topics -- Required Minimum Distributions](#)

¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and noncharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.

2020 SECURE ACT

EXAMPLE OF HOW TO CALCULATE RMDs

PENALTY for none compliance on RMDs

Jack (age 72)

\$100,000 IRA

RMD Factor

25.6

(÷ into gross qualified money)

= RMD

\$3,906

22% for \$3,906

= \$859

IRS IRA Required Minimum Distribution Worksheet

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 70 ½ - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____

2. Distribution period from the table below for your age on your birthday this year. _____

3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____

4. Repeat steps 1 through 3 for each of your IRAs.

Table H (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
59	27.4	81	17.1	84	0.1	188	2.0
61	28.5	83	18.2	85	0.8	197	2.0
62	29.0	84	18.7	86	1.5	198	2.1
63	29.7	85	19.4	87	2.2	199	2.2
64	30.3	86	20.1	88	3.0	200	2.3
65	31.0	87	20.9	89	3.9	201	2.4
66	31.7	88	21.7	90	4.9	202	2.5
67	32.4	89	22.6	91	6.0	203	2.6
68	33.1	90	23.6	92	7.3	204	2.7
69	33.9	91	24.6	93	8.8	205	2.8
70	34.7	92	25.7	94	10.5	206	2.9
71	35.5	93	26.8	95	12.4	207	3.0
72	36.3	94	28.0	96	14.5	208	3.1
73	37.1	95	29.3	97	16.8	209	3.2
74	37.9	96	30.7	98	19.3	210	3.3
75	38.7	97	32.2	99	22.0	211	3.4
76	39.5	98	33.8	100	25.0	212	3.5
77	40.3	99	35.5	101	28.2	213	3.6
78	41.1	100	37.3	102	31.7	214	3.7
79	41.9	101	39.2	103	35.5	215	3.8
80	42.7	102	41.2	104	39.6	216	3.9
81	43.5	103	43.3	105	44.0	217	4.0

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Exemption 502\(f\) - Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Minimum Taxes - Required Minimum Distributions](#)

¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and recharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.

2020 SECURE ACT

EXAMPLE OF HOW TO CALCULATE RMDs

PENALTY for none compliance on RMDs


Jack (age 72) \$100,000 IRA

RMD Factor 25.6 (÷ into gross qualified money)

= RMD \$3,906

22% for \$3,906 = \$859

+ PENALTY 50% = 430


IRA Required Minimum Distribution Worksheet

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 70 ½ - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____

2. Distribution period from the table below for your age on your birthday this year. _____

3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____

4. Repeat steps 1 through 3 for each of your IRAs.

Table B (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
59	27.4	61	27.1	64	26.1	66	25.0
61	26.5	63	25.3	65	24.8	67	23.9
62	25.0	64	23.2	66	22.1	68	21.7
63	24.7	65	22.8	67	21.6	69	21.4
64	23.8	66	21.4	68	20.7	70	20.1
65	22.9	67	20.4	69	19.7	71	19.9
66	22.0	68	19.2	70	18.7	72	18.8
67	21.2	69	18.0	71	17.8	73	18.4
68	20.3	70	17.4	72	17.2	74	18.1
69	19.5	71	16.6	73	16.2	75 and over	17.0
70	18.7	72	15.7	74	15.3		
71	17.9	73	14.9	75	14.5		

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Retirement Topics -- Required Minimum Distributions](#)

¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and noncharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.

2020 SECURE ACT

EXAMPLE OF HOW TO CALCULATE RMDs

PENALTY for none compliance on RMDs

Jack (age 72) \$100,000 IRA

RMD Factor 25.6 (÷ into gross qualified money)

= RMD \$3,906

22% for \$3,906 = \$859

+ PENALTY 50% = 430

= \$1,289 RMD Tax + PENALTY

IRA Required Minimum Distribution Worksheet

Use this worksheet to figure this year's required withdrawal for your traditional IRA UNLESS your spouse¹ is the sole beneficiary of your IRA and he or she is more than 10 years younger than you.

Deadline for receiving required minimum distribution:

- Year you turn age 70 ½ - by April 1 of the following year
- All subsequent years - by December 31 of that year

1. IRA balance² on December 31 of the previous year. \$ _____

2. Distribution period from the table below for your age on your birthday this year. _____

3. Line 1 divided by number entered on line 2. This is your required minimum distribution for this year from this IRA. \$ _____

4. Repeat steps 1 through 3 for each of your IRAs.

Table B (Uniform Lifetime)

Age	Distribution Period	Age	Distribution Period	Age	Distribution Period	Age	Distribution Period
59	27.4	81	17.1	84	0.1	188	2.0
61	25.5	83	15.3	85	0.8	187	2.0
62	25.0	84	15.2	86	0.1	186	2.1
63	24.7	85	14.8	87	1.6	185	2.4
64	23.8	86	14.1	88	1.1	184	2.1
65	22.9	87	13.4	89	0.7	183	2.0
66	22.0	88	12.7	90	0.3	182	2.0
67	21.2	89	12.0	91	5.8	181	2.4
68	20.3	90	11.4	92	2.2	180	2.1
69	19.5	91	10.6	93	5.2	179 and over	1.0
70	18.7	92	9.7	94	4.0		
71	17.9	93	8.8	95	4.5		

Once you determine a separate required minimum distribution from each of your traditional IRAs, you can total these minimum amounts and take them from any one or more of your traditional IRAs.

For additional information, see:

- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Retirement Topics -- Required Minimum Distributions](#)

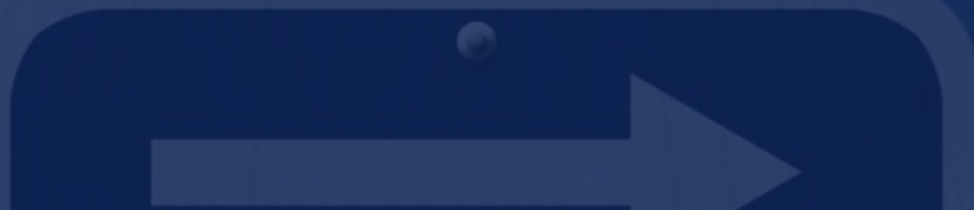
¹ Generally, your marital status is determined as of January 1 of each year. If your spouse is the beneficiary of your IRA on January 1, he or she remains a beneficiary only for purposes of calculating the required minimum distribution for that IRA even if you get divorced or your spouse dies during the year.

² You must increase your IRA balance by any outstanding rollover and noncharacterized Roth IRA conversions that were not in any traditional IRA on December 31 of the previous year.



2020 SECURE ACT

INHERITED "STRETCH" IRA CHANGES





2020 SECURE ACT

IRA CONTRIBUTION AGE LIMITS



The background is a dark blue gradient with a pattern of faint, light blue hexagonal icons. These icons represent various concepts: a cloud with a download arrow, a group of three people, a laptop, a smartphone, a lightbulb, a dollar sign, a padlock, and a tablet. A prominent white wavy border is on the right side of the image. The text is positioned in the lower-left area.

2020 SECURE ACT

EXPAND 401K LIFE INCOME OPTIONS

The background features a dark blue gradient with silhouettes of two hands holding puzzle pieces. The hand on the left is positioned above a puzzle piece, while the hand on the right is positioned below another puzzle piece. The puzzle pieces are dark blue and have interlocking shapes. The overall composition is clean and professional, with a focus on the central text.

2020 SECURE ACT

IMPLICATION ON TRUSTS

The background is a dark blue gradient. On the left, there is a vertical, wavy, light grey decorative element. The background features faint, semi-transparent images of financial charts, including a bar chart and a line graph with an upward-pointing arrow. In the upper right, there is a faint image of a hand holding a pen, and in the lower center, there is a faint image of two hands shaking. The text is centered and consists of two lines: the first line is in white and the second line is in a lighter blue-grey color.

**OFTEN MISSED LONG TERM
PLANNING OPPORTUNITIES**

OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

WITHDRAWALS FROM IRAS

JACK'S (72) QUALIFIED ACCOUNTS



OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

WITHDRAWALS FROM IRAS

JACK'S (72) QUALIFIED ACCOUNTS

IRA 1

\$100,000

IRA 2

\$100,000

401(k)

\$100,000



OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

WITHDRAWALS FROM IRAS

JACK'S (72) QUALIFIED ACCOUNTS


	IRA 1	IRA 2	401(k)
RMD	\$100,000 \$3,906	\$100,000 \$3,906	\$100,000 \$3,906

OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

WITHDRAWALS FROM IRAS

JACK'S (72) QUALIFIED ACCOUNTS

	IRA 1	IRA 2	401(k)
Returns	5%	12%	8%
	\$100,000	\$100,000	\$100,000
RMD	\$3,906	\$3,906	\$3,906



OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

WITHDRAWALS FROM IRAS

JACK'S (72) QUALIFIED ACCOUNTS

	IRA 1	IRA 2	401(k)
Returns	5%	12%	8%
	\$100,000	\$100,000	\$100,000
RMD	\$3,906	\$3,906	\$3,906

OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

WITHDRAWALS FROM IRAS

PROTECTING YOUR LIFE INCOME GUARANTEES

RMD

IRA 1
\$100,000
\$3,906

IRA 2
\$100,000
\$3,906

OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

WITHDRAWALS FROM IRAS

PROTECTING YOUR LIFE INCOME GUARANTEES

RMD
Returns

IRA 1
\$100,000
\$3,906
5%

IRA 2
\$100,000
\$3,906
Annuity

OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

WITHDRAWALS FROM IRAS

PROTECTING YOUR LIFE INCOME GUARANTEES

RMD
Returns

IRA 1
\$100,000
\$3,906
5%

IRA 2
\$100,000
\$3,906
Annuity



A man in a suit is shown in an office environment, talking on a mobile phone and looking at a document. The scene is dimly lit with a blue tint. In the foreground, there is a printer and stacks of papers. On the left side, there is a decorative white wavy border.

OFTEN MISSED TAX ISSUES

IMPORTANCE OF ROTH IRA

OFTEN MISSED TAX ISSUES

POWER OF ROTH IRA - CONCEPT
USING ROTH DURING RETIREMENT

Require annual IRA distribution of \$100,000

OFTEN MISSED TAX ISSUES

POWER OF ROTH IRA - CONCEPT
USING ROTH DURING RETIREMENT

Require annual IRA distribution of \$100,000

Option 1

IRA	\$100,000
Tax of 20%	- 20,000

	\$ 80,000

OFTEN MISSED TAX ISSUES

POWER OF ROTH IRA - CONCEPT
USING ROTH DURING RETIREMENT

Require annual IRA distribution of \$100,000

Option 1

IRA	\$100,000
Tax of 20%	- 20,000

	\$ 80,000

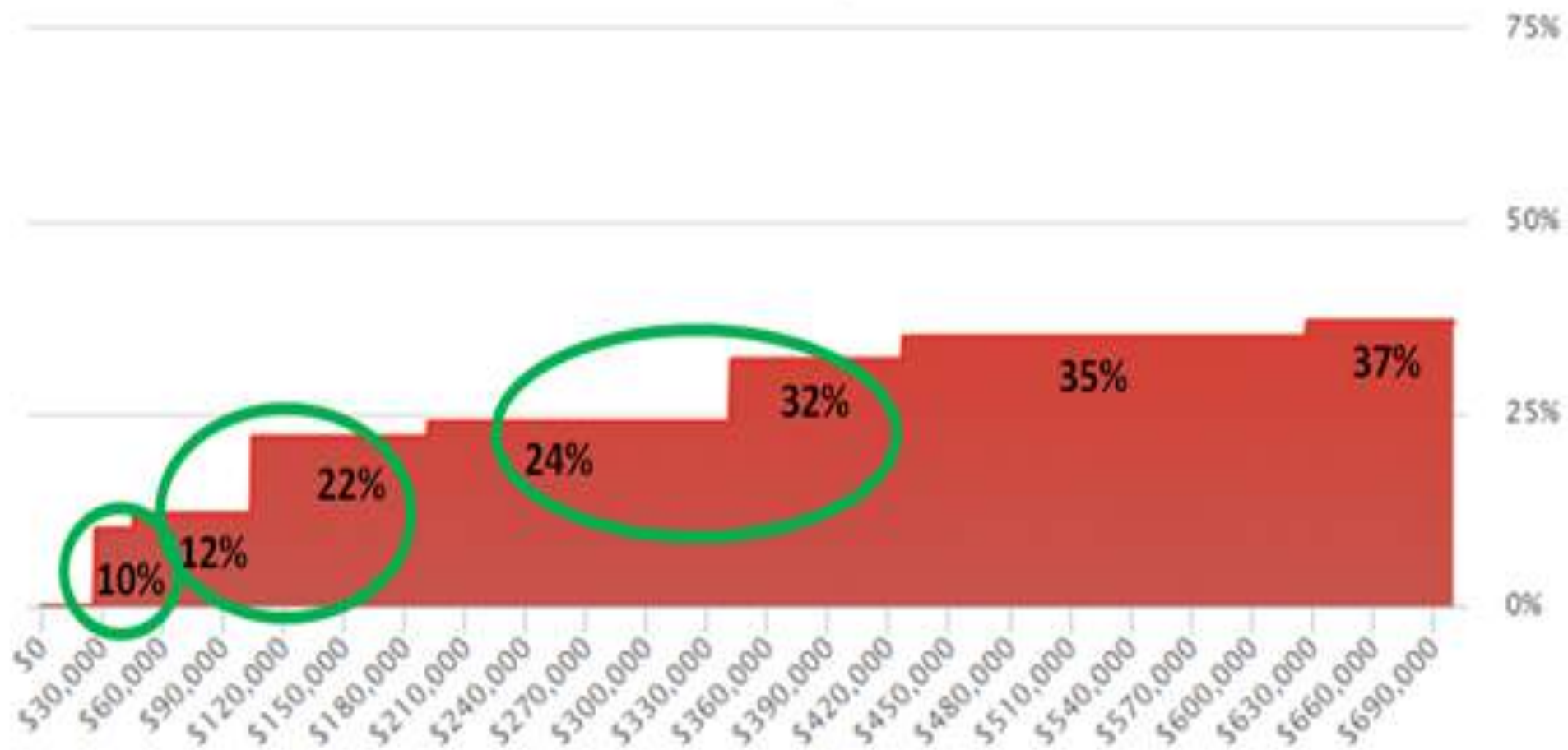
Option 2

IRA	\$50,000	Roth IRA	\$50,000
Tax Rate 15%	- 7,500	No Tax	

	\$42,500	+	\$50,000
Income After Tax	\$92,500		

Tax rate jumps on next dollar

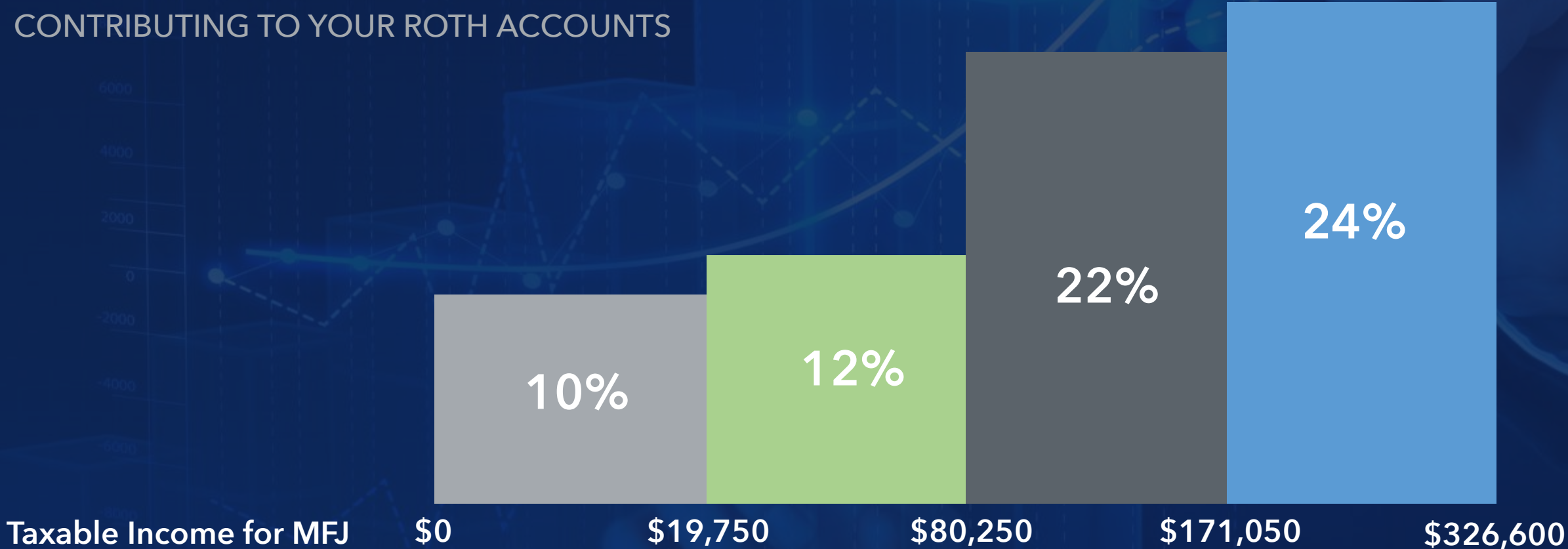
of Ordinary Income



OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

POWER OF ROTH IRA

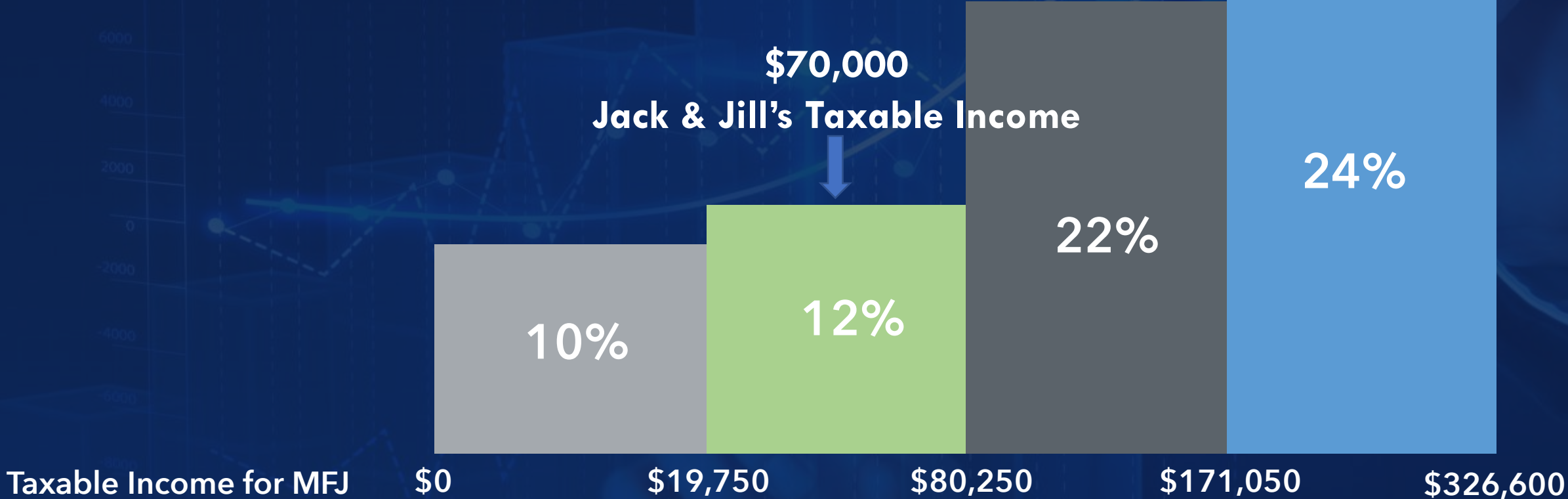
CONTRIBUTING TO YOUR ROTH ACCOUNTS



OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

POWER OF ROTH IRA

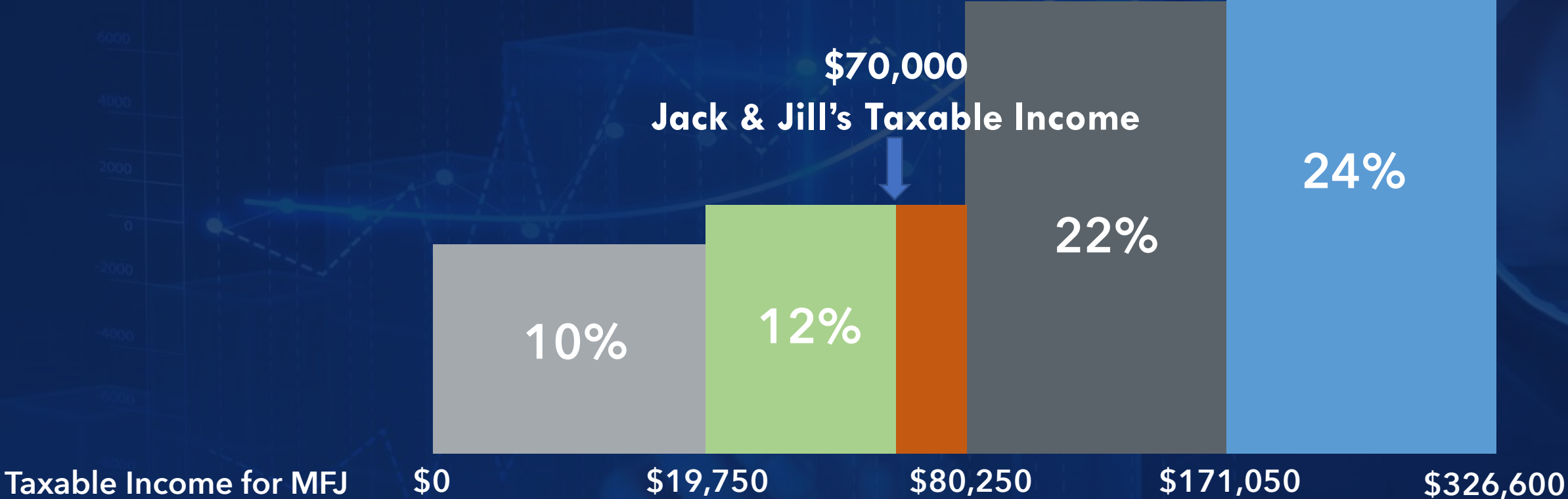
CONTRIBUTING TO YOUR ROTH ACCOUNTS



OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

POWER OF ROTH IRA

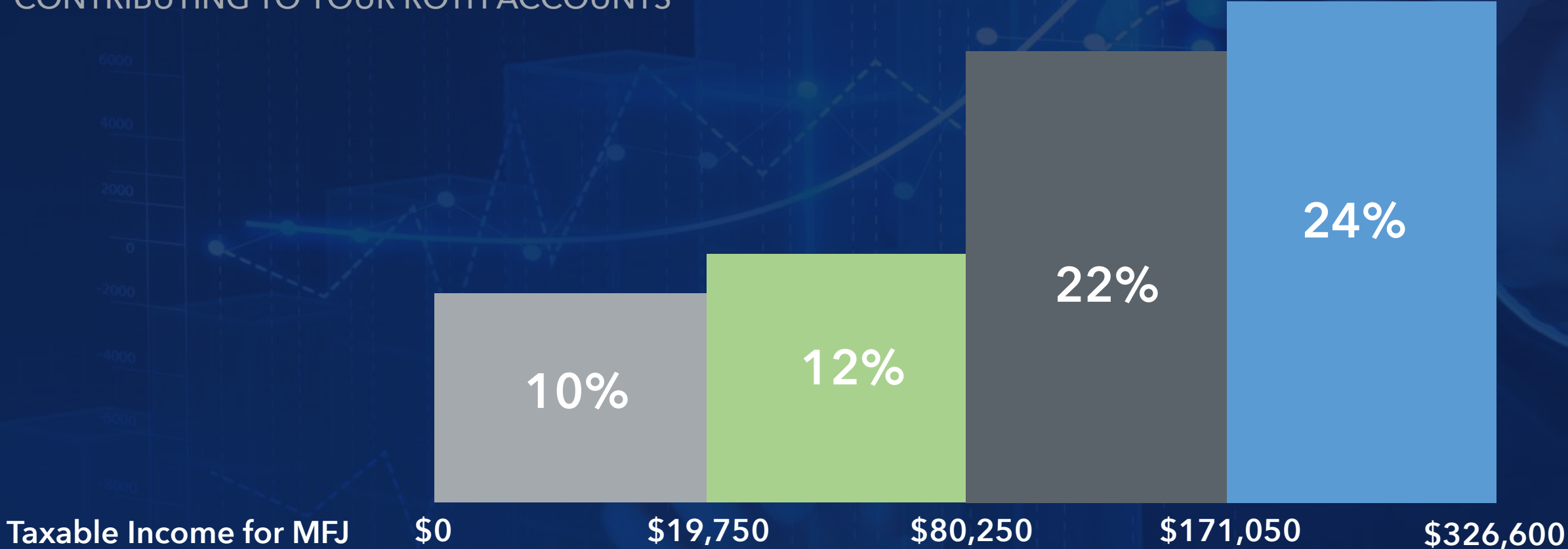
CONTRIBUTING TO YOUR ROTH ACCOUNTS



OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

POWER OF ROTH IRA

CONTRIBUTING TO YOUR ROTH ACCOUNTS

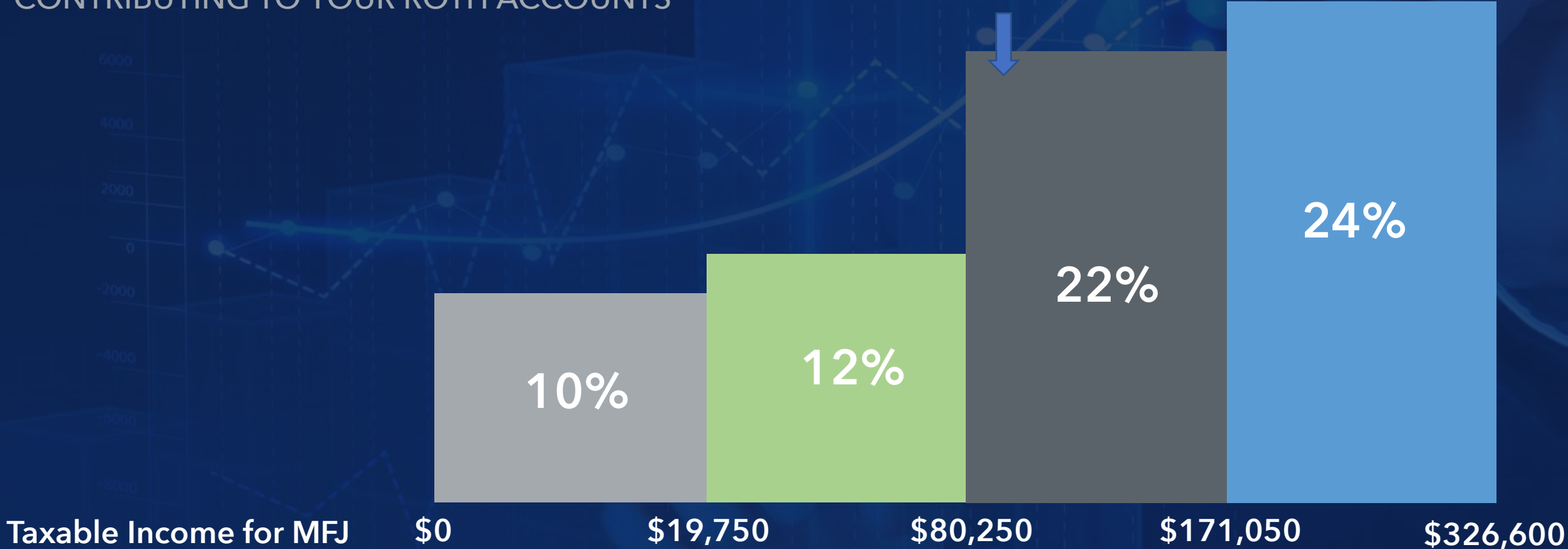


OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

POWER OF ROTH IRA

CONTRIBUTING TO YOUR ROTH ACCOUNTS

\$90,000
Jack & Jill's Taxable Income

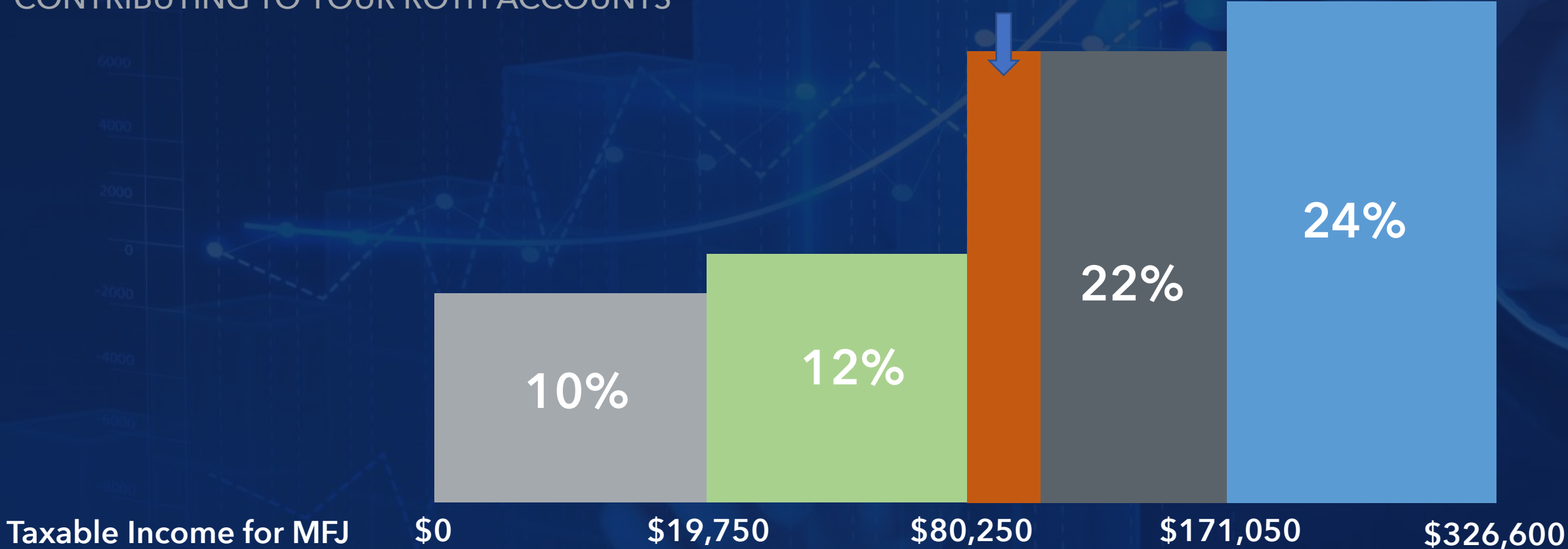


OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

POWER OF ROTH IRA

CONTRIBUTING TO YOUR ROTH ACCOUNTS

\$90,000
Jack & Jill's Taxable Income



OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

LAYERING YOUR INCOME - WHAT DOES THIS MEAN?



The background features a dark blue color scheme with faint, semi-transparent financial charts, including bar graphs and line graphs with data points. On the right side, there is a close-up image of hands holding a document, suggesting a professional or financial context.

OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

LAYERING YOUR INCOME - WHAT DOES THIS MEAN?

YOU NEED TO HAVE **ADDITIONAL MONTHLY INCOME AVAILABLE**
TO SUPPORT YOUR **ON-GOING COST OF LIVING INCREASES.**

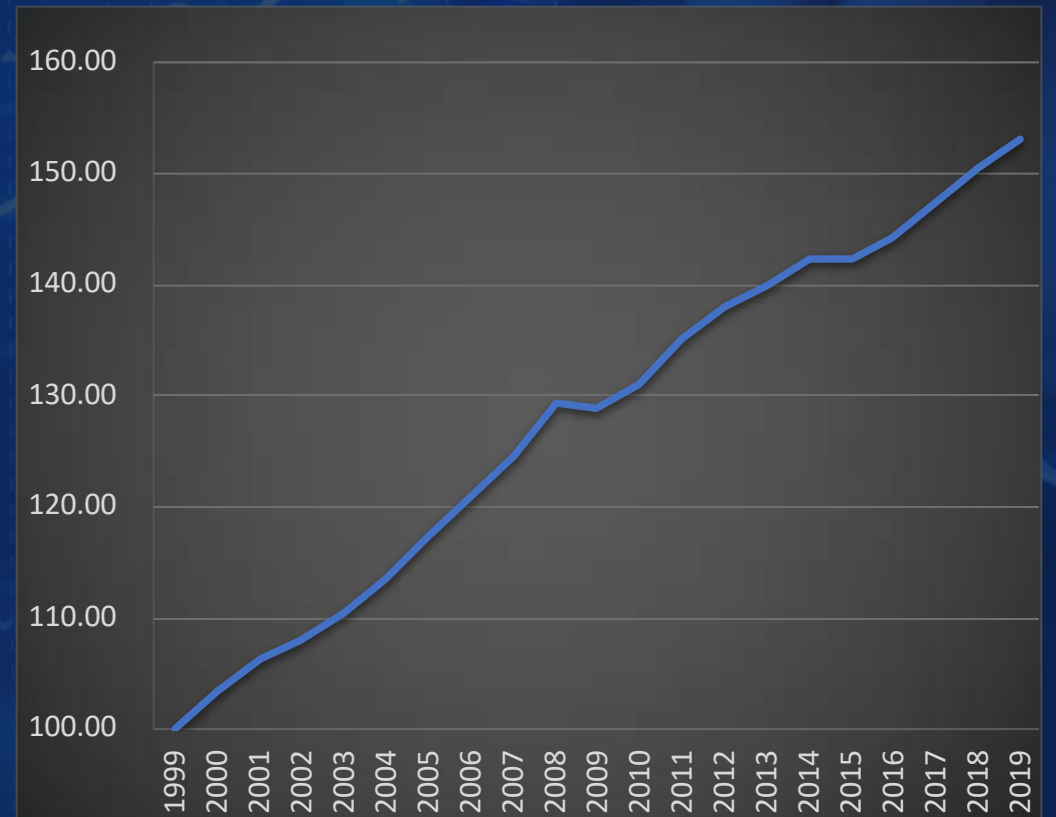
OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

LAYERING YOUR INCOME - WHAT DOES THIS MEAN?

LAYERING YOUR INCOME - WHAT DOES THIS MEAN?

STATISTICS SHOW **INFLATION INCREASES BY 19.7% EVERY 10 YEARS**

- EXAMPLE: AT AGE 70, JACK NEEDS \$5,000 MONTHLY TO COVER HIS LIVING EXPENSES.
- AT AGE 80, JACK WILL NEED \$6,000 MONTHLY TO MAINTAIN THE SAME LIFE STYLE



OFTEN MISSED LONG TERM PLANNING OPPORTUNITIES

LAYERING YOUR INCOME - WHAT DOES THIS MEAN?

WHERE IS JACK GOING TO GET THE ADDITIONAL INCOME?

IT MUST BE PLANNED FOR



**THE FIRST STEP OF YOUR
LAYERING PROCESS
STARTS WITH YOUR
SOCIAL SECURITY INCOME**

THE BIG QUESTION IS: WHEN SHOULD YOU START YOUR SOCIAL SECURITY?

**TWO PHILOSOPHIES ON WHEN TO BEGIN TAKING YOUR
MONTHLY SOCIAL SECURITY INCOME BENEFIT**

- 1. START YOUR BENEFIT EARLY - EARLIEST IS AGE 62**
- 2. START YOUR BENEFIT LATE - LATEST IS AGE 70**

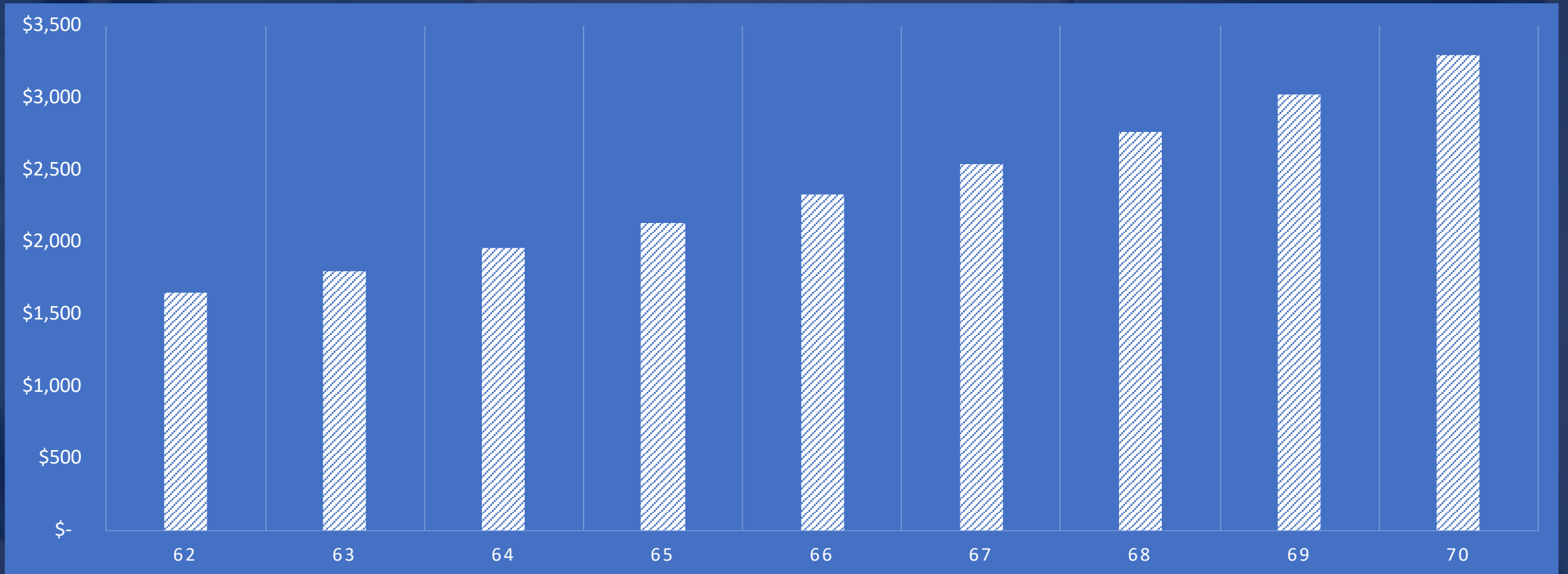
SOCIAL SECURITY STRATEGIES

HOW TO READ YOUR SOCIAL SECURITY REPORT

Your Estimated Benefits

*Retirement	You have earned enough credits to qualify for benefits. At your current earnings rate, if you continue working until...	
	your full retirement age (67 years), your payment would be about.....	\$ 2,544 a month
	age 70, your payment would be about.....	\$ 3,294 a month
	age 62, your payment would be about.....	\$ 1,651 a month
*Disability	You have earned enough credits to qualify for benefits. If you became disabled right now	
	your payment would be about.....	\$ 2,258 a month
*Family	If you get retirement or disability benefits, your spouse and children also may qualify for benefits.	
*Survivors	You have earned enough credits for your family to receive survivors benefits. If you die this year, certain members of your family may qualify for the following benefits:	
	Your child.....	\$ 1,728 a month
	Your spouse who is caring for your child.....	\$ 1,728 a month

JACK'S ESTIMATED MONTHLY SOCIAL SECURITY BENEFITS



A blue-tinted image of a piggy bank being held by two hands. The piggy bank is white and has a smiling face. The hands are also white and are positioned as if holding the piggy bank. The background is a dark blue gradient with a wavy white border on the right side.

SOCIAL SECURITY STRATEGIES

**THE LONGER YOU ARE ABLE TO WAIT,
THE MORE MONEY YOU WILL RECEIVE FOR LIFE**

A blue-tinted background image showing a piggy bank being held by two hands. The piggy bank is in the center, and the hands are positioned around it, one above and one below. The background is a solid blue color with a subtle pattern of overlapping circles or waves on the right side.

SOCIAL SECURITY STRATEGIES

**CONSIDER THIS: YOU WILL BE LIVING ON YOUR
RETIREMENT RESOURCES WITHOUT EARNED INCOME
FOR 15 TO 35 YEARS**



SOCIAL SECURITY STRATEGIES

**THE LONGER YOU WAIT TO COLLECT,
THE MORE BASE BENEFIT YOU WILL RECEIVE FOR LIFE.**

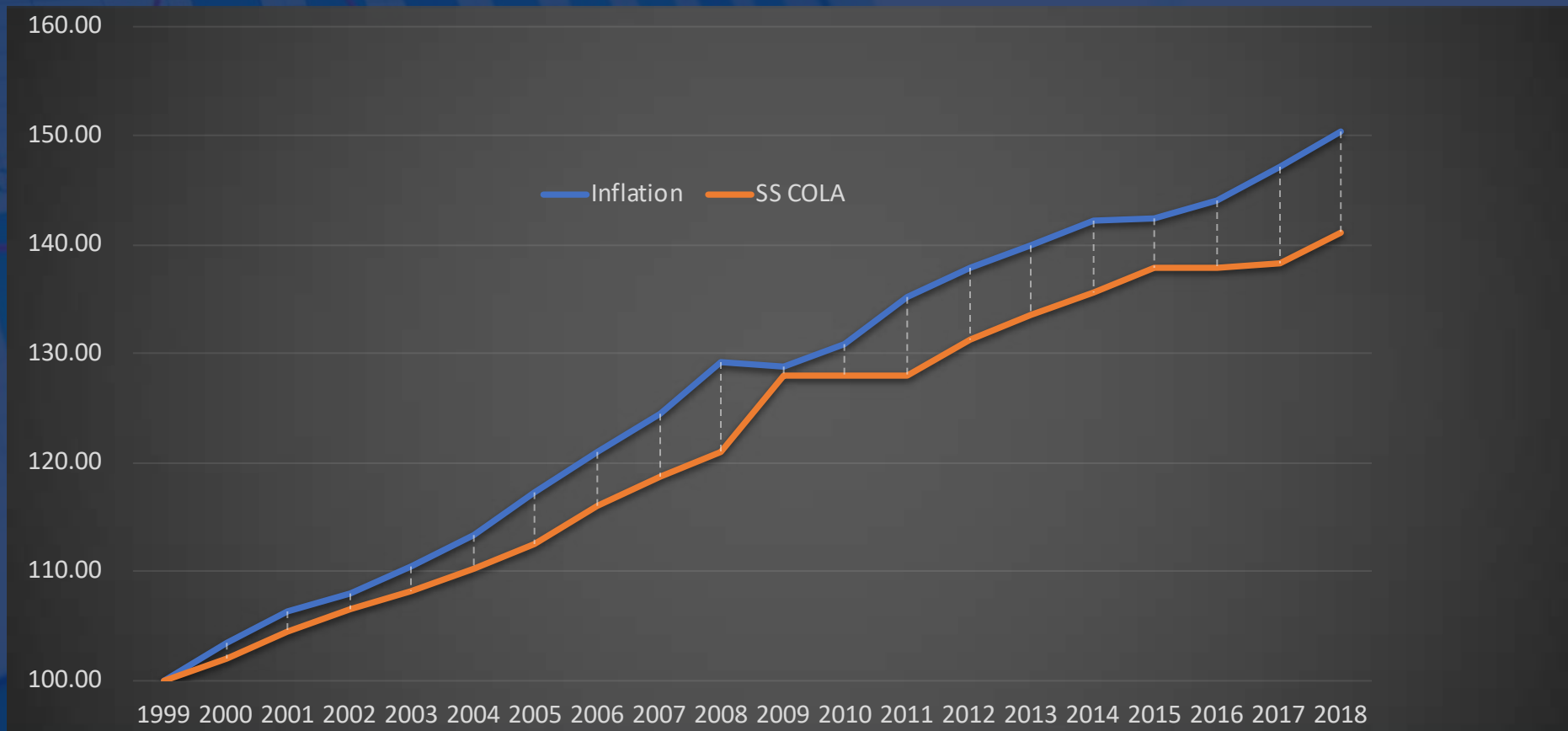
SOCIAL SECURITY STRATEGIES

MONTHLY CASH FLOW BECOMES KING IN RETIREMENT

**THE MORE MONEY YOU HAVE COMING INTO YOUR
CHECKING ACCOUNT EACH MONTH, THE EASIER LIFE
WILL BE.**

COST OF LIVING ADJUSTMENT

COLA VS CPI



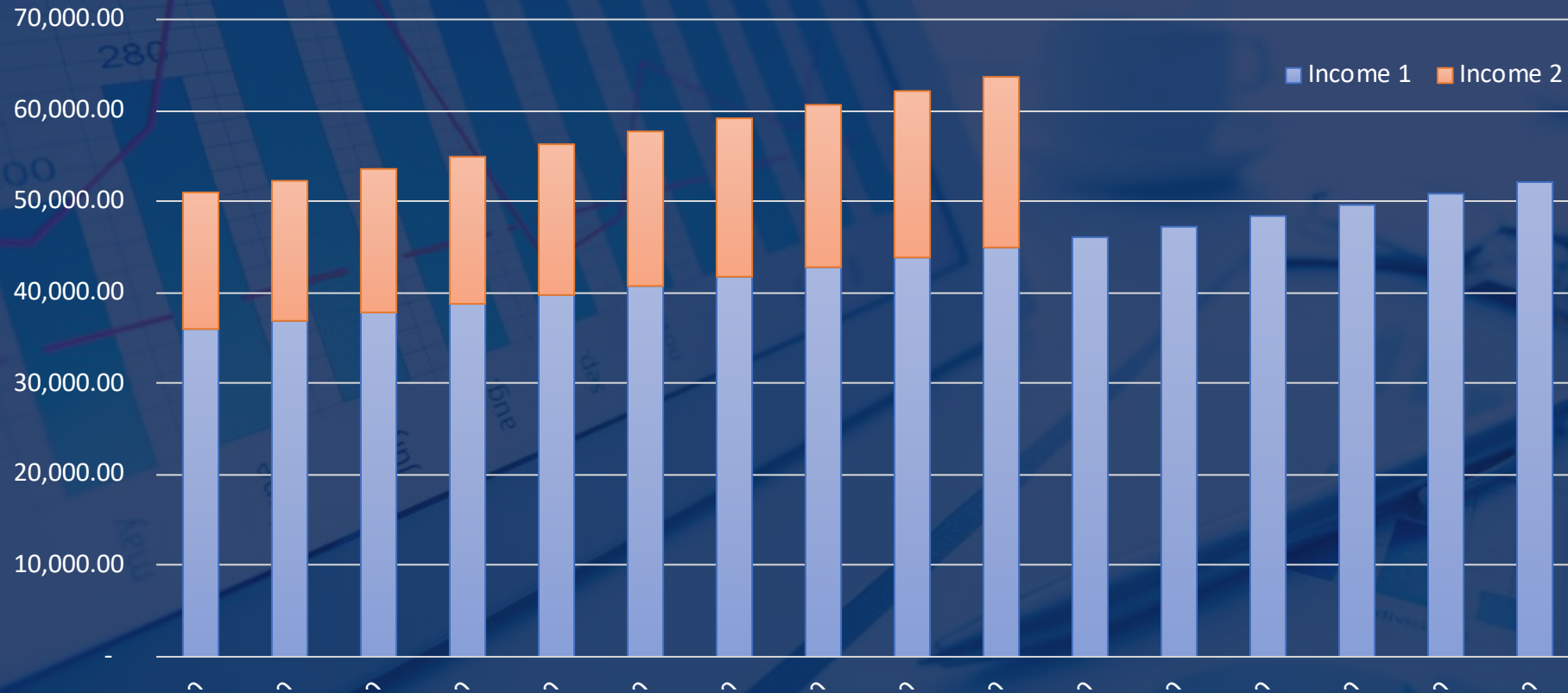
SOCIAL SECURITY STRATEGIES

SPECIFIC ISSUES CONCERNING SPOUSAL SOCIAL SECURITY

- SPOUSAL SOCIAL SECURITY
- DIVORCEE SOCIAL SECURITY

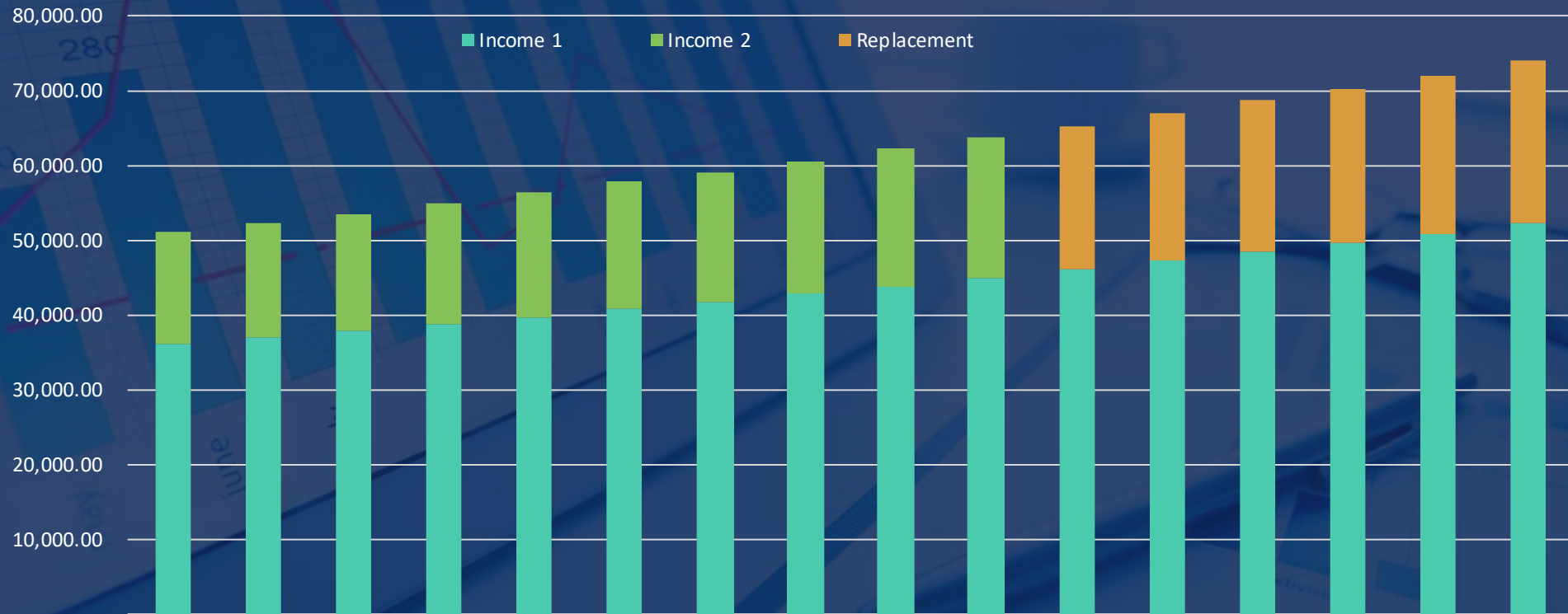
SOCIAL SECURITY STRATEGIES

- SURVIVOR SPOUSAL SOCIAL SECURITY



SOCIAL SECURITY STRATEGIES

- SURVIVOR SPOUSAL SOCIAL SECURITY





RETIREMENT INCOME PLANNING

CREATIVE PLANNING FOR OUR RETIREMENT OBJECTIVE



Creating income for life

CREATIVE PLANNING FOR OUR RETIREMENT OBJECTIVE



Creating income for life



Managing the various risks
that may occur during
your retirement years

CREATIVE PLANNING FOR OUR RETIREMENT OBJECTIVE



Creating income for life



Managing the various risks
that may occur during your
retirement years



Tax management

A person in a suit is shown from the chest down, sitting at a desk. They are using a calculator with their right hand. On the desk in front of them is a document with a bar chart. The background is a blurred office setting. The entire image has a blue tint.

THE THREE PHASES OF RETIREMENT INCOME PLANNING



PHASE 1 - ACCUMULATION

PRE — RETIREMENT / AT AND DURING RETIREMENT

A hand holding a pen over a document with a checklist. The document has several items with checkboxes, some of which are checked. The background is a dark blue gradient.

PHASE 2 — PLANNING: PREPARATION, PRESERVATION AND PROTECTION

THE POWER OF PLANNING

PHASE 3 — DISTRIBUTION

(ACTION)

**UNEARNED INCOME USED TO SUPPORT
ALL YOUR YEARS IN RETIREMENT**



A hand is shown holding a single coin, poised to drop it into one of several stacks of coins. The background is a dark blue gradient with a wavy white border on the right side. The text is overlaid on the left side of the image.

STEP 1:

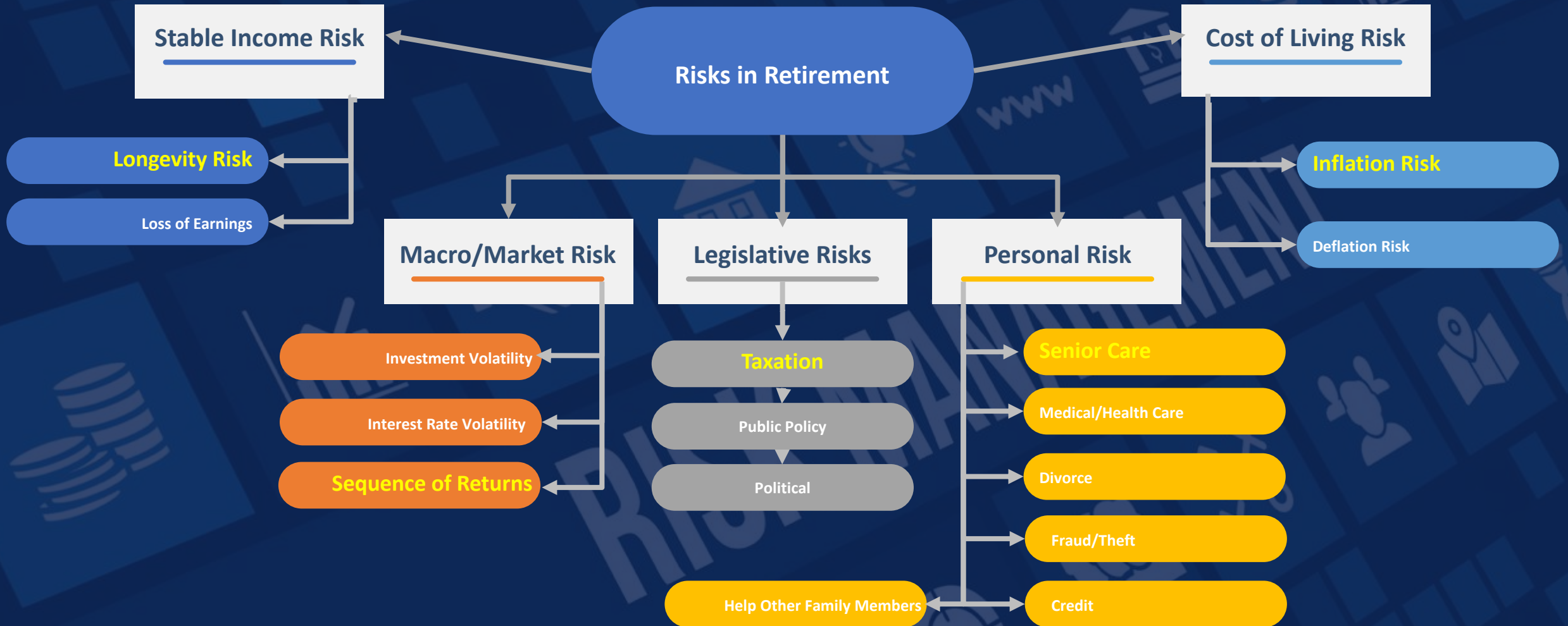
**HOW DO YOU SPEND
YOUR MONEY?**

STEP 2:

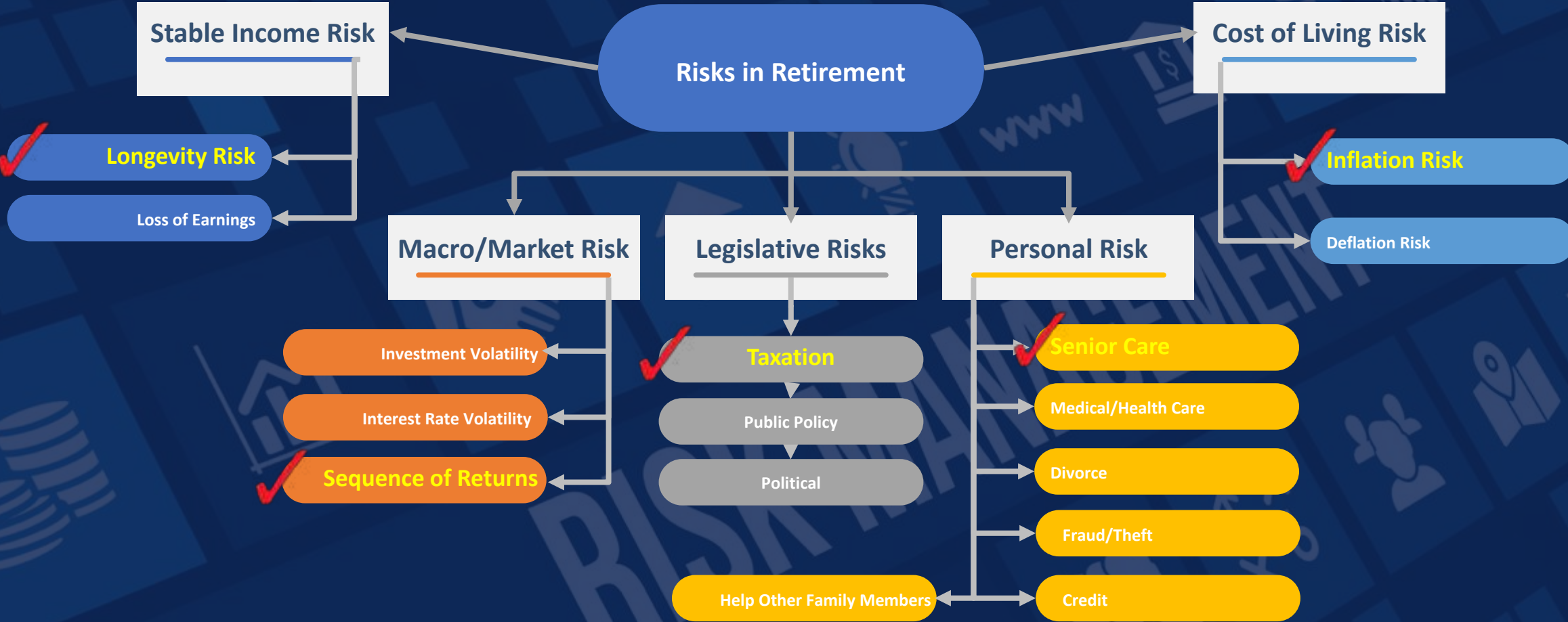
FINANCIAL RISKS DURING RETIREMENT YEARS

RISK MANAGEMENT

STEP 2: FINANCIAL RISKS DURING RETIREMENT YEARS AND RISK ANNUITIES



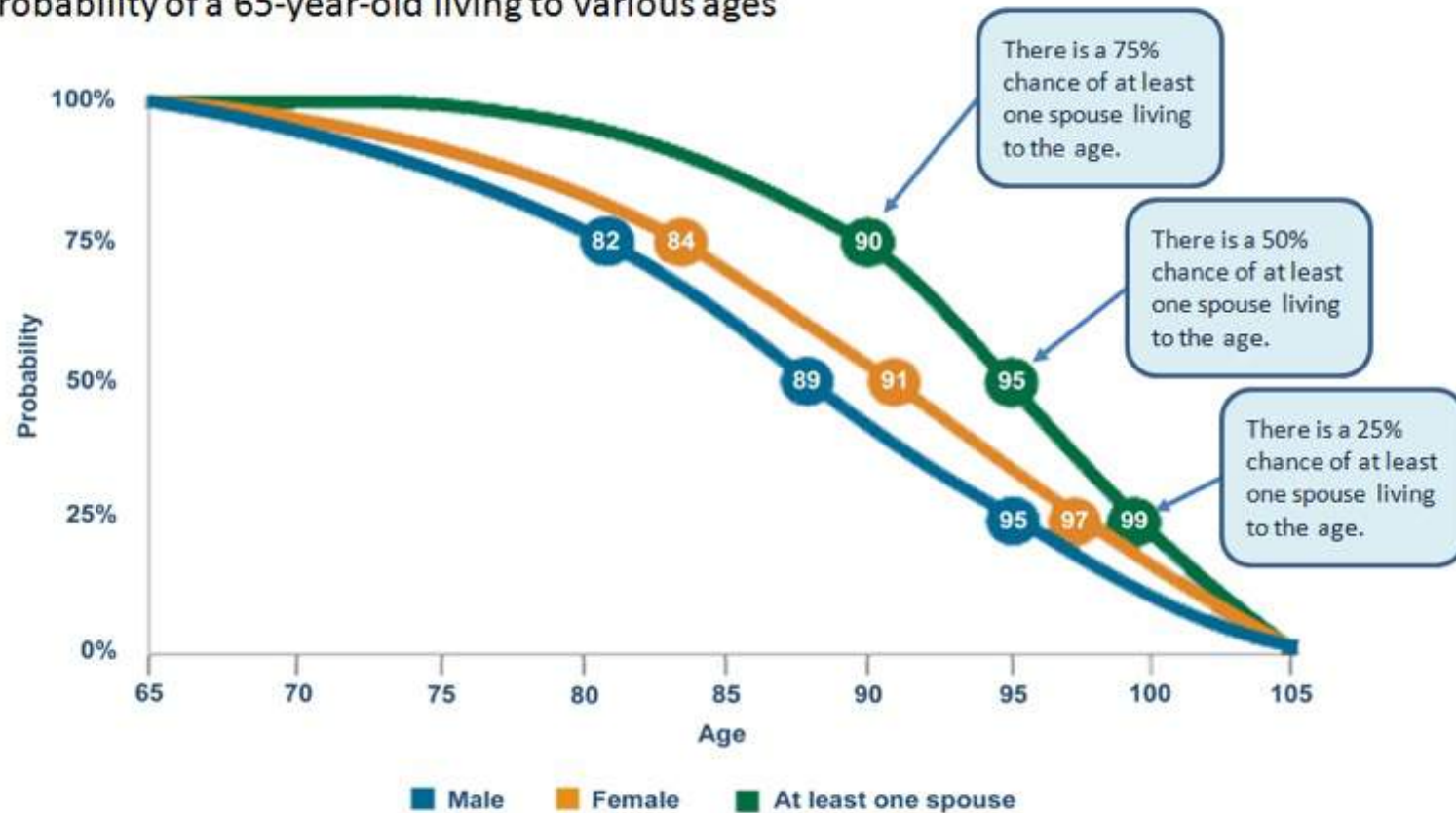
STEP 2: FINANCIAL RISKS DURING RETIREMENT YEARS AND RISK ANNUITIES



STEP 2: FINANCIAL RISKS DURING RETIREMENT YEARS

LONGEVITY RISK:

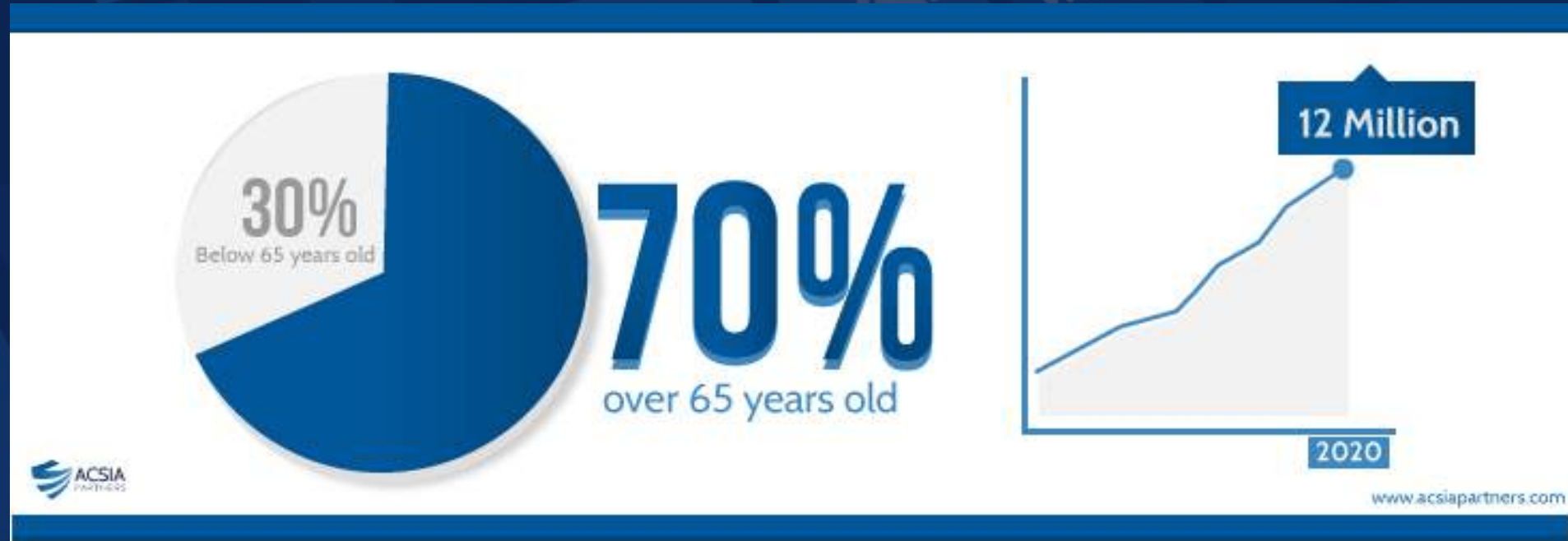
Retirees need to plan for a long retirement
Probability of a 65-year-old living to various ages



Based on actuarial accounting of insurance companies

STEP 2: FINANCIAL RISKS DURING RETIREMENT YEARS

SENIOR CARE AND MEDICAL RISK


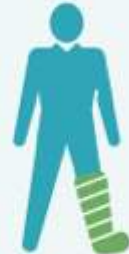




STEP 2: FINANCIAL RISKS DURING RETIREMENT YEARS

SENIOR CARE AND MEDICAL RISK



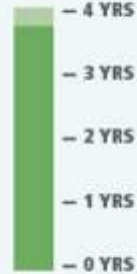

Why do people need long-term care?

Conditions may be temporary or permanent.

 PROLONGED ILLNESS	 INJURY OR DISABILITY	 COGNITIVE IMPAIRMENT	 FRAILTIES OF AGING
--	---	---	---

You may need long-term care temporarily while you recover from an illness or injury or permanently as the result of a chronic disease or aging.

On average, women need long-term care twice as long as men do.

 NEED MORE THAN 2 YEARS		 NEED NEARLY 4 YEARS	
--	--	---	--

Women outlive men by about 5 years and are more likely to live at home alone when they are older.

STEP 2: FINANCIAL RISKS DURING RETIREMENT YEARS

SENIOR CARE AND MEDICAL RISK

Historical and Projected Monthly Cost of Senior Care in California					
(Medium Costs)	2013	2017	2022 (est.)	2027 (est.)	2032 (est.)
Home Care	\$ 4,194.67	\$ 4,767.00	\$ 5,526.00	\$ 6,406.00	\$ 7,427.00
Home Health Aide	\$ 4,375.83	\$ 4,767.00	\$ 5,526.00	\$ 6,406.00	\$ 7,427.00
Adult Day Health Care	\$ 1,668.33	\$ 1,668.00	\$ 1,934.00	\$ 2,242.00	\$ 2,599.00
Assisted Living Facility	\$ 3,710.00	\$ 4,275.00	\$ 4,956.00	\$ 5,745.00	\$ 6,660.00
Nursing Home Care (semi-private)	\$ 6,995.83	\$ 8,114.00	\$ 9,406.00	\$ 10,905.00	\$ 12,641.00
Nursing Home Care (private)	\$ 8,151.67	\$ 9,703.00	\$ 11,248.00	\$ 13,040.00	\$ 15,117.00

Actuary Census Tracking Data: <https://www.genworth.com/aging-and-you/finances/cost-of-care.html>

STEP 2: FINANCIAL RISKS DURING RETIREMENT YEARS

SEQUENCE OF RETURN RISK:

The risk of taking withdrawals through a significant down market early in retirement may create a situation where there is not enough remaining in the portfolio to participate in a recovery and put the client back on solid footing.

- **FACTS FOR EVALUATION PURPOSES:**
- **BOTH PORTFOLIOS STARTED ANNUAL WITHDRAWALS OF 5% = \$9,451.92.**
- **INFLATION ADJUSTMENT = 3% ANNUAL**
- **BOTH AVERAGE RETURNS ARE 6.44%**
- **PORTFOLIO BALANCE @ AGE 81**
 - **PORTFOLIO A - \$0**
 - **PORTFOLIO B - \$155,851.48**

THAT'S A BIG DIFFERENCE!

	Portfolio A		Portfolio B	
Age	Return	Year-End Value	Return	Year-End Value
65	Retired	\$ 189,038.30	Retired	\$ 189,038.30
66	-9.10%	163,244.03	1.4%	182,100.60
67	-11.89%	135,256.39	13.7%	195,961.91
68	-22.10%	97,553.27	32.4%	246,158.52
69	28.68%	112,241.02	16.0%	273,562.98
70	10.88%	112,657.19	2.1%	268,472.48
71	4.91%	106,693.29	15.1%	296,296.89
72	15.79%	110,472.01	26.5%	360,424.67
73	5.49%	104,274.06	-37.0%	219,744.01
74	-37.00%	58,149.41	5.5%	219,177.21
75	26.46%	57,939.94	15.8%	239,505.37
76	15.06%	52,050.10	4.9%	237,938.80
77	2.11%	39,788.63	10.9%	249,319.38
78	16.00%	30,522.45	28.7%	303,483.04
79	32.39%	22,032.34	-22.1%	225,600.41
80	13.69%	8,794.45	-11.9%	186,179.55
81	1.40%	0.00	-9.1%	155,851.48
	6.44%	\$ 0.00	6.44%	\$ 155,851.48

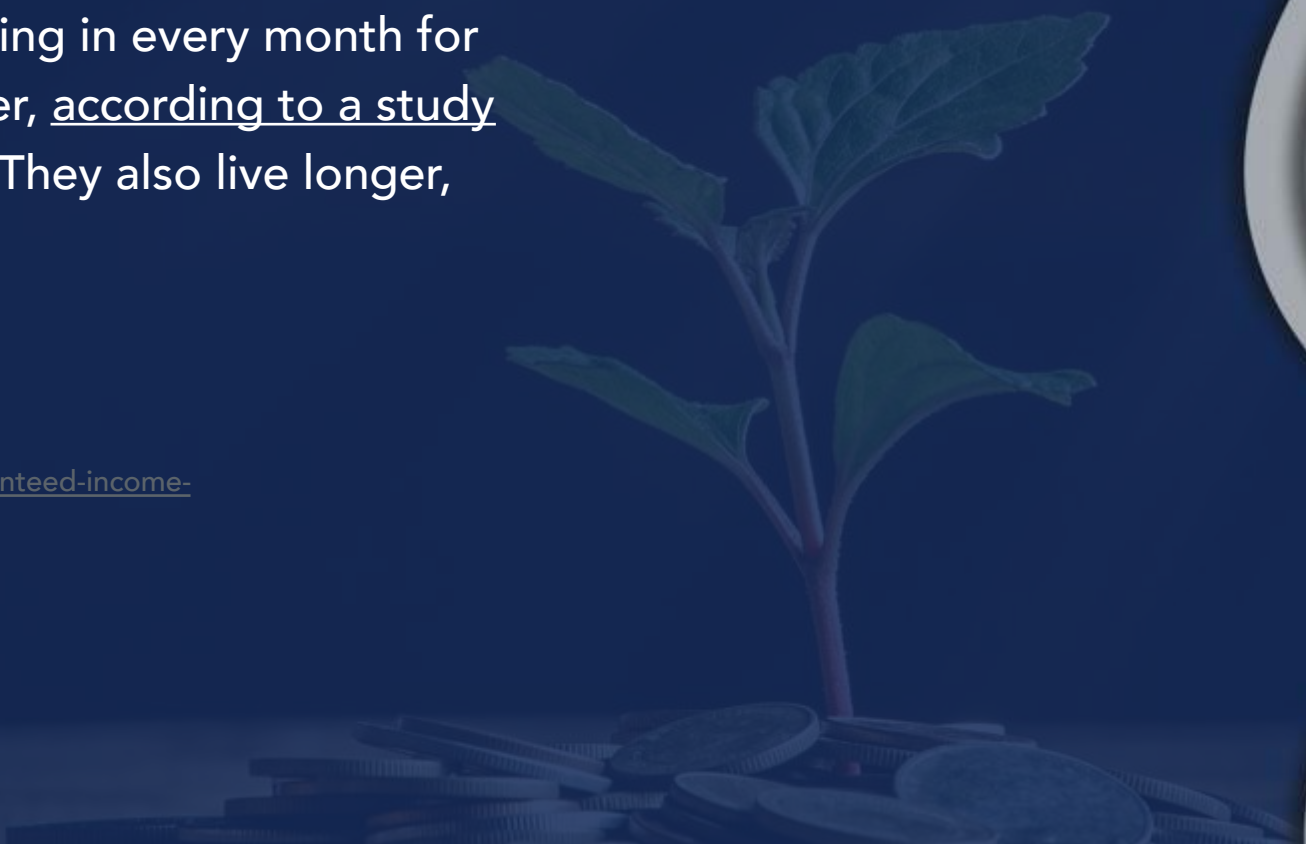
STEP 3:
CREATING INCOME
FOR LIFE



WHAT OTHERS SAY?

Retirees who are surrounded by their family and friends and who also have a substantial check coming in every month for the rest of their lives - are much happier, according to a study published in The Wall Street Journal... They also live longer, studies show.

<https://www.newsmax.com/finance/kennuss/retirees-guaranteed-income-happier/2018/05/29/id/863006/>



STEP 3: CREATING INCOME FOR LIFE

- ❖ **GUARANTEED RETIREMENT INCOME**
- ❖ **NON-GUARANTEED RETIREMENT
INCOME**



STEP 3: CREATING INCOME FOR LIFE

- ❖ GUARANTEED RETIREMENT INCOME
 - ❖ NON-GUARANTEED RETIREMENT INCOME
 - ❖ INVESTING **FOR** RETIREMENT VERSUS INVESTING **IN** RETIREMENT
- 

STEP 3: CREATING INCOME FOR LIFE

- ❖ GUARANTEED RETIREMENT INCOME
 - ❖ NON-GUARANTEED RETIREMENT INCOME
 - ❖ INVESTING FOR RETIREMENT VERSUS INVESTING IN RETIREMENT
 - ❖ PLAN YOUR INCOME TO MEET YOUR **EVER INCREASING LIVING EXPENSES**
- 

STEP 4: LEGACY AND ESTATE PLANNING

CLARIFICATION OF DESIGNATED BENEFICIARIES:

❖ CONTINGENT BENEFICIARIES

STEP 4: LEGACY AND ESTATE PLANNING

CLARIFICATION OF DESIGNATED BENEFICIARIES:

- ❖ CONTINGENT BENEFICIARIES
- ❖ TITLING ACCOUNTS

STEP 4: LEGACY AND ESTATE PLANNING

CLARIFICATION OF DESIGNATED BENEFICIARIES:

- ❖ CONTINGENT BENEFICIARIES
- ❖ TITLING ACCOUNTS
- ❖ WILLS

STEP 4: LEGACY AND ESTATE PLANNING

CLARIFICATION OF DESIGNATED BENEFICIARIES:

- ❖ CONTINGENT BENEFICIARIES
- ❖ TITLING ACCOUNTS
- ❖ WILLS
- ❖ TRUSTS

STEP 4: LEGACY AND ESTATE PLANNING

CLARIFICATION OF DESIGNATED BENEFICIARIES:

- ❖ CONTINGENT BENEFICIARIES
- ❖ TITLING ACCOUNTS
- ❖ WILLS
- ❖ POWER OF ATTORNEY **POA**
 - ❖ **FINANCIAL AND MEDICAL**

STEP 5: CREATING INCOME FOR LIFE

5 PILLARS NEEDED FOR LIFE INCOME

EMERGENCY FUNDS

**SECURED AND
GUARANTEED INCOME**

INVESTMENT PORTFOLIO

RISKS & PROTECTIONS

**LEGACY AND ESTATE
PLANNING**

FUNDING TO MEET LIFESTYLE EXPENSES

Foundation funding to meet basic monthly living expenses:
Your mandatory monthly income projections should include
Potential future increases in cost living

STEP 6: PERSONALIZATION

LET'S GET STARTED

ACTION 1 : COMPLETE A RETIREMENT EDUCATION WORKSHOP

ACTION 2 : SCHEDULE YOUR COMPLIMENTARY RETIREMENT
INCOME PLANNING MEETING

ACTION 3 : EXECUTE YOUR PERSONALIZED RECOMMENDATION