



The Hidden Tax Benefits of Roth Conversions

Most retirement plans focus on **accumulation** — but smart tax planning in retirement can matter just as much as what you saved.

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STARTING POINT

Your Traditional IRA or 401(k)

Every dollar in a Traditional IRA or 401(k) has **never been taxed**. That's great now — but every withdrawal in retirement is ordinary income.

Pre-Tax Growth

Contributions reduced your taxable income when made

Fully Taxable Later

100% of withdrawals taxed as ordinary income

RMDs Required

Mandatory withdrawals begin at age 73

5 Hidden Retirement Tax Traps

Required Minimum Distributions

RMDs force taxable withdrawals — whether you need the money or not

Higher Future Tax Brackets

Current rates may rise when provisions expire after 2025

Social Security Taxation

Up to 85% of benefits can become taxable as income rises

Medicare IRMAA Surcharges

Higher income triggers steep Medicare premium increases

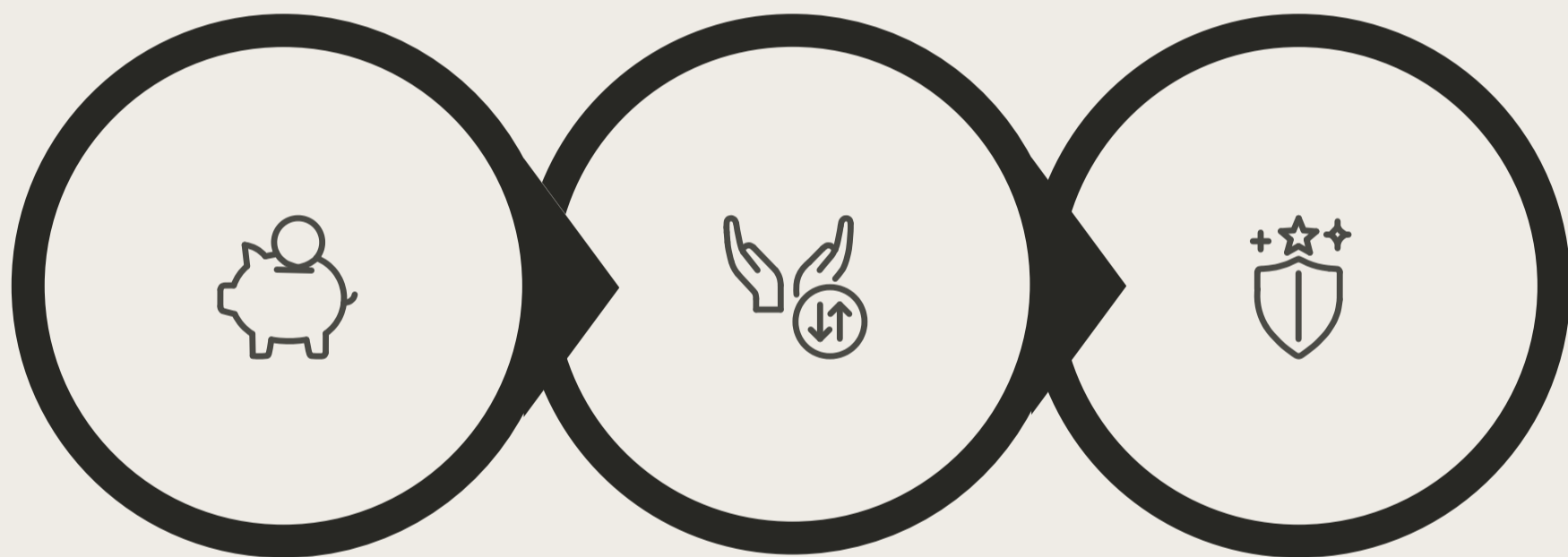
Widow's Tax Penalty

Surviving spouses often face higher rates filing single

THE STRATEGY

Strategic Roth Conversion

Moving money from a Traditional IRA into a Roth IRA means **paying taxes today** – in exchange for potentially **tax-free growth** for life.



Traditional
IRA

Roth
Conversion

Roth IRA

The goal isn't to avoid taxes entirely – it's to *control when and how much* you pay.

KEY ADVANTAGES

What a Roth Conversion Can Do



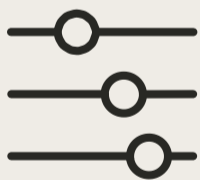
Tax-Free Growth

Investments grow tax-free and qualified withdrawals are never taxed



No RMDs Required

Roth IRAs have no mandatory distribution rules during your lifetime



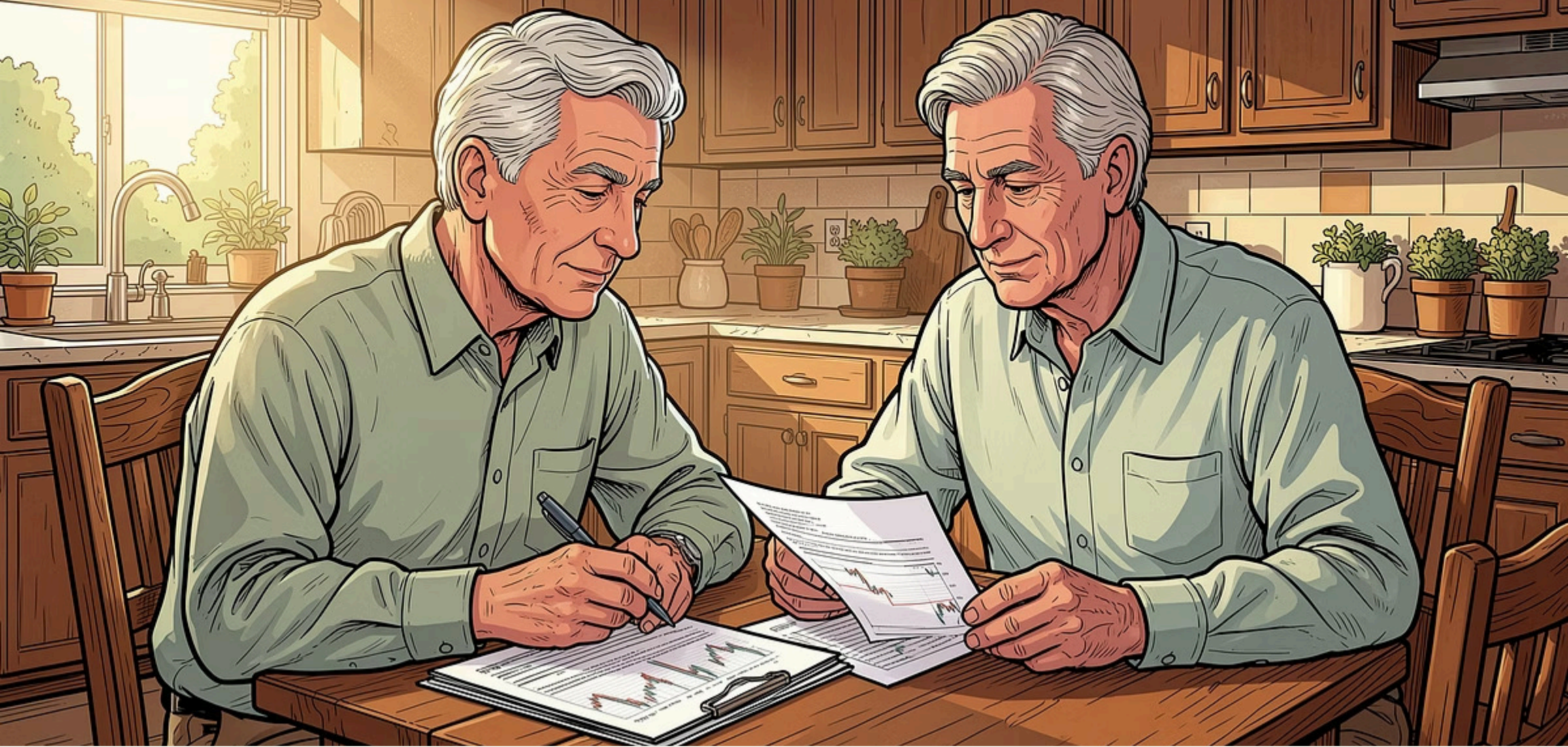
Flexible Income Control

Choose when to withdraw without triggering additional tax consequences



Estate Planning Edge

Heirs can inherit tax-free assets, simplifying the transfer of wealth



LONG-TERM BENEFITS

Potential Long-Term Advantages

Tax Diversification

Own both taxable and tax-free buckets for maximum flexibility

Lower Taxable Income

Reduce future RMDs and the income that triggers surcharges

Retirement Readiness

Greater control over your annual tax bill in any market environment

When Roth Conversions May Make Sense

Timing matters. These windows often present the best opportunity to convert at lower tax cost:

01

Early Retirement Years

Before Social Security or RMDs kick in – income is often at its lowest

02

Lower-Income Years

Any year income dips creates an opportunity to fill lower brackets

03

Market Downturns

Converting when account values are lower means less tax on the same shares

04

Before RMDs Begin at 73

The years between 60–72 are often the ideal conversion window

BIGGER PICTURE

Retirement Planning Is More Than Performance

Investment returns matter — but so does the plan around them.



Tax Strategy

Minimize lifetime tax burden across all accounts



Income Planning

Coordinate withdrawals, Social Security, and pensions



Healthcare Costs

Plan for Medicare, IRMAA, and long-term care expenses



Long-Term Readiness

Ensure your plan holds up through market and tax uncertainty

Is Your Retirement Plan Built to Last?

A **Retirement Stress Test** is a structured review of your income, taxes, investment risk, and long-term retirement readiness — all in one conversation.

1

Retirement Income

Sources, timing, and sustainability

2

Tax Exposure

RMDs, brackets, Social Security triggers

3

Investment Risk

Sequence of returns and allocation review

4


Long-Term Plan

Healthcare, legacy, and withdrawal strategy

Request a Retirement Stress Test

A structured review of your retirement income, taxes, investment risk, and long-term readiness — designed for pre-retirees and retirees who want clarity.

"The goal of retirement planning isn't just growing wealth — it's keeping more of what you've built."

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