

TAX AVALANCHE SHOW

- Q1.** It seems like we focus on earnings when we are working and taxes as we get to retirement. Why am I hearing so much about taxes right now?
- A1.** (Lowest tax brackets in modern history, clearly will be going up. Expand)
- Q2.** I am familiar with Market Risk. I think we all are: How much risk there is being invested in the markets, they can go up and can go down like a roller coaster. What exactly is Legislative risk? Is this the same as Tax Risk?
- A2.** (explain how moving legislation can impact retirees, plan forward)
- Q3.** Leads me to, what is the difference between Tax Planning vs Tax Preparation?
- A3.** (both are valid but I tend to favor one over the other. One, you tell your tax accountant that you want as much money in your pocket this year as possible. Tax Planning though, is taking in to account all of your investments, income, goals and objectives and determining a tax forward plan to keep more money in your pocket...in the future! Expand)
- Q4.** The Roth conversion, who is it for, pluses and minuses, all or nothing?
- A4.** Great Question. (Explain how your team approaches to do or not to do Roth Conversions, can everyone, tax implications, taxes in the future etc. etc.)
- Q5.** Are you CPAs, how does this work with your firm?
- A5.** (Yes or NO depending your firm. Explain how you work with outside or inside tax professionals.)
- Q6.** In your experience, will my tax bracket go down in retirement? I mean, I'm not earning a large income now.
- A6.** (many retirees get this wrong. Your income bracket will likely stay the same, maybe a little lower but not greatly. You still have to pay your bills which means you need to draw income from investments...take social security then RMDS.)
- Q7.** I've heard of the perfect storm of taxes. Delay SS until 70, RMDS start at 72...you think you've waited as long as you can but is this a good strategy tax-wise down the road?
- A7.** This is exactly why you need a plan with a professional...

- Q8.** I guess I want to ask the question, are there legitimate ways to tax shelter for myself and for legacy planning. I mean things you can talk about here on air!
- A8.** (Ha, yes...and for the ones we can't talk about on air, give us a call :D) Expand solutions
- Q9.** *Consumer Question from Phillip. Is the income I receive from my annuity tax free? I remember something about that when sitting in the office of they guy who sold it to me years ago but I don't remember exactly what they said. Do I just call the company who provided me the annuity?
- A9.** (Explain!)
- Q10.** *Consumer Question from May, How is my tax Bracket determined once I'm retired?
- A10.** (total income: both earned and unearned, their tax rate and liability depend on the tax bracket that corresponds to their total taxable income. You determine your tax bracket in retirement the same way you did while you were working.)

