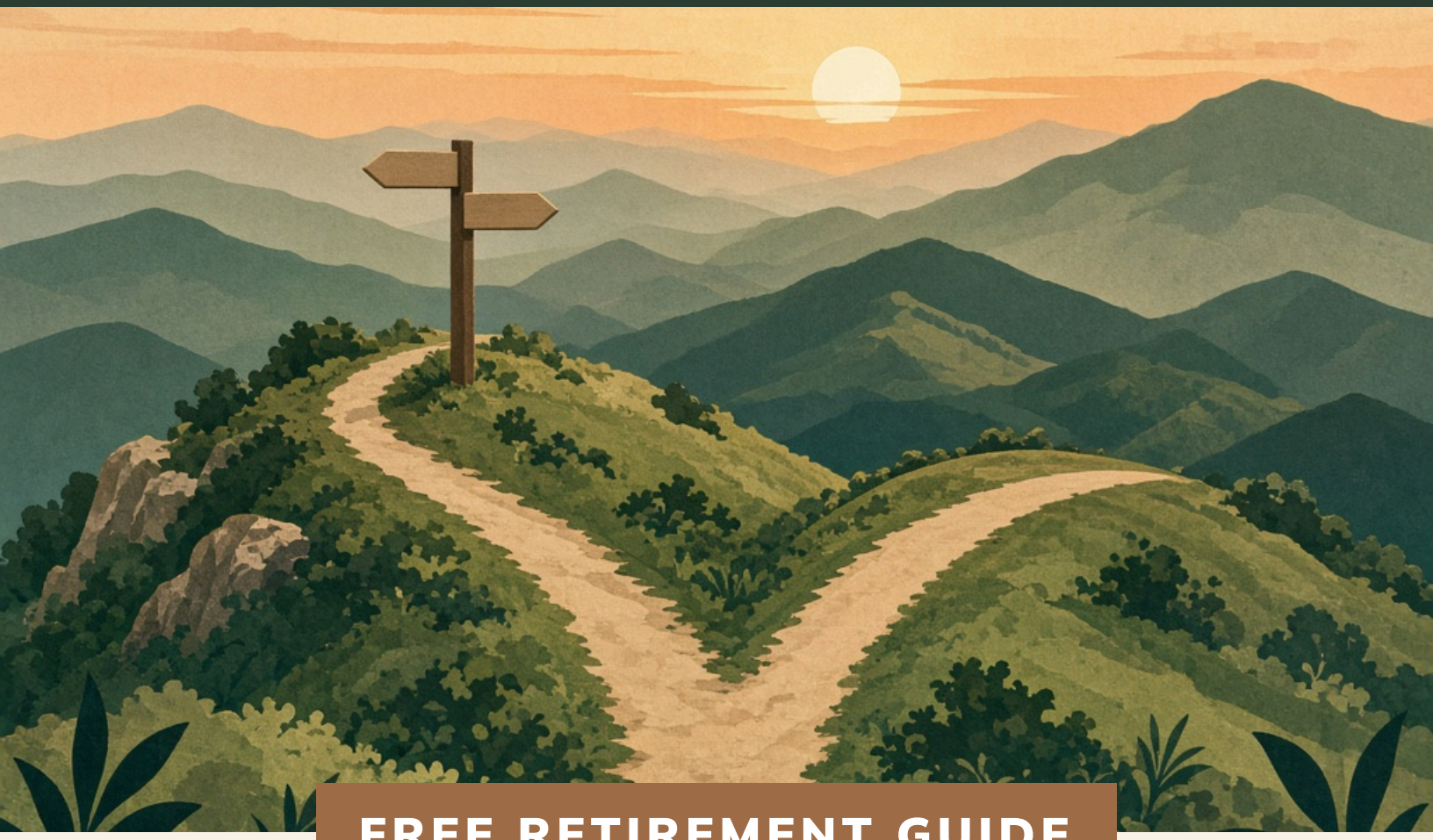
SELECTIVE
WEALTH MANAGEMENT

For Retirement Savers with $1M+



FREE RETIREMENT GUIDE

The Decisive Decade

The retirement decisions that can shape
the rest of your life

BEFORE YOU BEGIN

How to Use This Guide

You've done the hard part: you saved, invested and built real wealth for retirement. This guide is about the next stretch: the years just before and after retirement, when many of the financial decisions that shape the rest of your life feel like they arrive all at the same time.

This guide is organized as a journey in eight parts. Each part builds on the one before it, so reading straight through gives you a more complete picture. If one topic is pressing, feel free to start there.

1	**Why These Years Matter.** The window around retirement, and mistakes that are hard to undo.	3
2	**The Decision Domino Effect.** Why taxes, income, investments, and estate planning need to be coordinated together.	5
3	**Turning Savings Into Income.** Building a retirement paycheck and choosing which accounts to draw from.	6
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PART 1

01 Why These Years Matter

For most of your working life, building wealth runs on a handful of simple habits: spend less than you earn, save the difference, invest sensibly and stay the course. Around retirement, things begin to change.

In the years just before and after you stop working, the number of important decisions begins to multiply. Many of the most consequential financial choices of a lifetime are made in a span of roughly a decade, and questions like these move to the front of the line:

When should I stop working?

Which accounts should we draw from first?

Should we convert to Roth, and how much each year?

How will we cover healthcare until Medicare begins?

How will our assets pass to our family?

Why the Stakes Are Higher Now

- **Some choices are permanent.** A Social Security claim, a pension election or a Roth conversion generally can't be taken back once it's made.
- **Some choices expire.** Certain opportunities exist only for a few years, then quietly disappear.
- **Effects compound.** A decision made this year can shape your taxes, your income and your spouse's security for decades, and the paycheck that once absorbed mistakes is gone.

Costly Mistakes

The costliest retirement mistakes are rarely dramatic. Most come from making each decision on its own, one year at a time, without a long-range plan. These are the ones that show up most often.

1 **Letting the low-income years go to waste.**
Living on savings in early retirement with very little taxable income, then facing decades of larger, required withdrawals.

2 **Viewing financial decisions in isolation.**
Taxes, investments, income, healthcare and estate plans all lean on each other. A move that looks right in one area can quietly cost more in another.

3 **Treating RMDs as a problem for later.**
Required minimum distributions can raise your taxable income, and your Medicare premiums, for the rest of your life. By the time they begin, many of the easiest ways to shrink them have passed.

4 **Holding the right investments in the wrong accounts.**
Where an investment is held can matter almost as much as what it is.

5 **Not knowing what you're really paying.**
Advisory fees, fund expenses and product charges are often taken quietly from an account, so they're easy to overlook, and they keep compounding year after year.

6 **Letting documents and beneficiaries drift out of date.**
Account designations often override a will or trust, and a trust that was never funded may control very little.

7 **Judging success by this year's tax bill.**
Paying the least tax each year isn't the same as keeping the most over a lifetime. Sometimes paying more now leaves your family with more.

Someone Needs to See the Whole Field

Plans work best when one person understands your taxes, your investments and your estate documents together, and makes sure every specialist is working from the same plan. It's worth asking who plays that role for you today.

PART 2

02 The Decision Domino Effect

Taxes, income, investments, healthcare and estate plans lean on one another far more than most people expect. Tip one over, and others tend to fall with it.

Two Views Every Plan Needs

If decisions are connected, they have to be planned with two kinds of tools: one that looks across the decades, and one that looks closely at this year.

The Long View

A lifetime projection sketches the big picture: roughly how much to convert over the coming years, when each of you might claim Social Security, how large required distributions could become, and how a surviving spouse would fare. It's built for broad strokes and big decisions.

The Close-Up View

A projection of this year's tax return shows exactly where your income will land: how much room is left in a bracket, how close you are to a Medicare premium line, and what a sale, gift or conversion would do before you make it.

Each view keeps the other honest. The long view tells you which direction to go; the close-up view tells you how far to go this year. Using only one tends to produce either good intentions that never get carried out, or precise moves that point the wrong way.

Why the Close-Up View Needs to Happen Before December 31

Your tax return is a record of decisions that have already been made. Nearly every move in this guide, from sizing a conversion to realizing a gain, harvesting a loss or making a charitable gift, has to be completed by December 31 to count for the year. Once January arrives, the year's opportunities are locked in, for better or worse. A projection done in the fall, while there's still time to act, lets you see where your income is headed and adjust before the window closes.

ASK YOURSELF

Do I have a long-range plan and a current-year tax projection? Does the person managing my investments see both?

PART 3

03 Turning Savings Into Income

For decades, your paycheck arrived on its own and someone else handled the withholding. In retirement, you build the paycheck yourself, from several sources, each with its own rules.

The Pieces of a Retirement Paycheck

Source	What it does well	What to watch
Social Security	Lifetime income that adjusts for inflation and can continue for a surviving spouse.	Claiming age changes the benefit permanently.
Pensions	Predictable lifetime income.	Payout and survivor elections are usually permanent.
Portfolio withdrawals	Flexible: you control the timing and the amount.	Market swings, and which account the money comes from.
Cash reserve	A cushion so you don't have to sell investments in a downturn.	Holding too much for too long can lose ground to inflation.

Drawing From the Right Accounts

Once you know how much income you need, the next question is where it comes from. Most households have savings in three kinds of accounts, and each is taxed differently on the way out.

Account type	Examples	How withdrawals are taxed
Taxable	Brokerage and bank accounts	Only the gains, interest and dividends are taxed, often at lower capital gains rates.
Tax-deferred	Traditional IRAs, 401(k)s, 403(b)s	Every dollar withdrawn is taxed as ordinary income. Required distributions begin later in life (73 or 75, depending on birth year).
Tax-free	Roth IRAs and Roth workplace accounts	Qualified withdrawals are tax-free. Roth IRAs, and since 2024 Roth 401(k)s, have no required distributions for the owner.[1]

Choosing Which Accounts to Draw From

The order in which you tap your accounts can matter as much as how much you take. A familiar rule of thumb is a reasonable place to start, but it isn't always where you should end up.

The Conventional Order, and Its Blind Spot

A common rule of thumb is to spend taxable accounts first, then tax-deferred, and Roth last. It's a reasonable starting point, because it gives tax-advantaged money more time to grow.

FIRST
Taxable accounts

→

THEN
Tax-deferred accounts

→

LAST
Roth accounts

Followed rigidly, though, it can leave taxable income close to zero in early retirement, wasting the lowest brackets, and then pile a large tax-deferred balance into the years when Social Security and required distributions are already pushing income up.

Other Approaches to Consider

Depending on your situation, some households find it helps to:

Blend account types

Draw from more than one account type in the same year, to land income closer to where they want it.

Use the low-income years

Take some IRA withdrawals or Roth conversions while income is unusually low.

Keep Roth money flexible

Hold it in reserve for years when extra taxable income would be expensive.

Revisit the mix each year

Adjust as tax law, markets and their plans change.

None of these is right for everyone. Which, if any, makes sense depends on your income, your account balances, your health and your goals for your heirs.

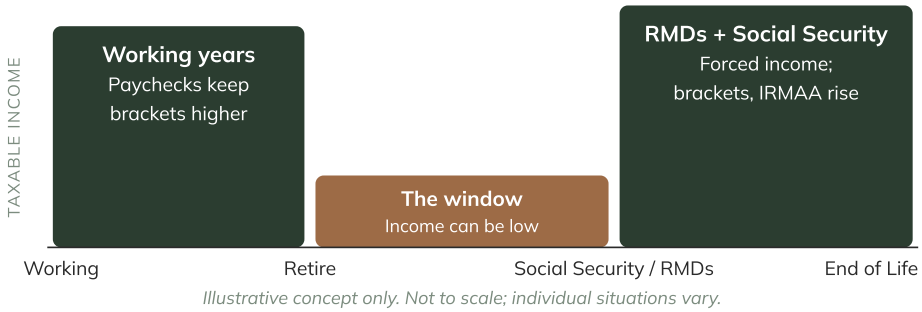
PART 4

04 The Tax Moves

For many people with large retirement savings, the biggest long-term threat isn't a bad year in the market. It's a tax bill that builds slowly through required withdrawals, taxable Social Security, Medicare premiums and the rates a surviving spouse or children will pay.

Using Your Tax Window: Roth Conversions

Between the year the paycheck stops and the year Social Security and required distributions begin, many households have a stretch of unusually low taxable income. That is the tax window, and a Roth conversion is one of the best ways to take advantage of it.



Illustrative concept only. Not to scale; individual situations vary.

The tax window: before Social Security and required distributions begin, income can be low, often the most efficient years to convert.

A conversion moves money from a traditional IRA or 401(k) into a Roth IRA. You pay income tax on the amount converted now. In return, the money can grow tax-free, come out tax-free under the Roth rules, and isn't subject to required distributions during your lifetime.

Whether a conversion makes sense is rarely as simple as comparing two tax rates, but that comparison is often a good indicator. A useful starting question is **whether your tax rate is likely to be lower now than it will be later**: for you once required distributions begin, for a surviving spouse filing alone, or for children who inherit the account. Conversions can also make future income more flexible, because Roth withdrawals don't add to taxable income.

Pay Less Tax, or Keep More?

Tax planning has two goals that sound alike but aren't: paying less tax over your lifetime, and ending up with more after tax. They often pull in different directions, and when they do, the second one should usually win.

Lifetime taxes measure what you pay. After-tax wealth measures what you, a surviving spouse and your heirs actually keep. Focusing only on the tax bill can leave you poorer.

When Paying More Tax Can Be the Better Choice

- **A taxable bond over a tax-free one.** If a taxable bond's higher yield more than covers the tax on it, it leaves you with more. Compare after-tax yields, not tax bills.
- **A Roth conversion.** It raises this year's tax on purpose, in exchange for a potentially higher after-tax net worth for you or your heirs.

Avoiding tax at any cost is sometimes called "letting the tax tail wag the dog." The better question is always: *which choice leaves us with more, after tax, over time?*

Start With a Tax Map

To answer that question, you need more than a plan that shows whether the money will last. You need one that maps out your taxes, year by year. A plan built to support real tax strategy should:

- project portfolio growth, including the taxes on gains as they are realized;
- estimate your income tax for every year: the working years, the low-income years after the paycheck stops, and the years when Social Security and required distributions push income back up;
- let you test choices, such as a conversion, a home sale or a large gift, before you make them.

ASK YOURSELF

Is our plan judged by the tax we pay or by what we and our heirs keep? Does it estimate our taxes year by year, or only whether the money lasts?

Before You Convert

A well-timed conversion can maximize after-tax net worth. A poorly sized one can raise this year's bill and set off costs elsewhere. A few rules of thumb:

- **Size it, don't maximize it.** The right amount is usually the one that fills a chosen bracket while staying clear of Medicare premium lines and other income-based costs.
- **Pay the tax from outside the IRA if you can.** Withholding the tax from the conversion shrinks the amount that grows tax-free, and before age 59½ it can trigger a penalty.
- **Conversions can't be undone.** Many people convert in stages through the year, with a final check in December once income is clearer.
- **State taxes matter.** A conversion that makes sense federally can look different if you plan to move to or from a state with no income tax.

Questions to Answer Before You Convert

- ☐ **How much room is left in our chosen bracket** this year, and how confident are we in that number?
- ☐ **Where will the money for the tax come from?** Cash or a taxable account usually leaves more in the Roth.
- ☐ **What else does the extra income touch?** Medicare premiums two years out, a health-insurance credit, or the taxation of Social Security, for example.
- ☐ **Who is likely to spend this money?** You, a surviving spouse, children or a charity may each face a very different tax rate.
- ☐ **What happens if we do nothing?** Picture required distributions, a survivor's single-filer brackets and heirs' ten-year withdrawals without any conversions.

Managing Your Bracket and Required Distributions

Conversions are one tool. The broader idea is to decide your taxable income on purpose each year, rather than letting it happen to you.

Fill Your Brackets Deliberately

The federal tax system is built in layers. In a low-income year, it can make sense to add income up to the top of a chosen bracket, through IRA withdrawals, conversions or realized gains, and stop there. In a high-income year, the opposite usually applies: defer what you can.

Your income also drives other costs that don't appear in the bracket tables, including Medicare premiums, how much of your Social Security is taxed, eligibility for health-insurance credits, the temporary senior deduction,[2] and an additional tax on investment income at higher levels.[3] The real cost of an extra dollar of income is the sum of all of these.

Get Ahead of Required Minimum Distributions

Required minimum distributions (RMDs) begin at **73**, or **75** for anyone born in 1960 or later.[1] The years before RMDs start are usually the best time to manage them. Ways to shrink future RMDs include:

- Converting part of your traditional IRAs to Roth in low-income years.
- Drawing from traditional IRAs earlier, at lower rates, rather than leaving them untouched.
- Giving through qualified charitable distributions starting at age 70½, which can count toward your RMD.
- Thinking about your heirs: most non-spouse beneficiaries must empty an inherited IRA within ten years, often during their own peak earning years.[4]

The Taxable Account: Gains, Losses and Timing

A brokerage account gives you more tax control than any other account, because you decide when gains and losses are realized. Used well, that control can reduce taxes year after year.

Harvest Losses When Markets Fall

Selling an investment at a loss, and replacing it with a similar but not substantially identical one, lets you use the loss to offset gains and a limited amount of other income. Unused losses carry forward to future years.[5] Losses tend to appear in volatile markets, so the habit is to look for them throughout the year, not only in December. Watch the wash-sale rule, which also applies to purchases in your IRAs.

Harvest Gains When Your Bracket Is Low

In low-income years, gains may be taxed at a reduced rate, sometimes at a 0% federal rate for long-term gains.[6] Realizing some gains on purpose resets your cost basis and can make future sales less costly. Because gains add to income, they should be sized alongside conversions and Medicare premium lines.

Handle Concentrated and Legacy Holdings With Care

Many investors hold positions with large unrealized gains: a former employer's stock, or funds bought decades ago. Selling everything at once can create a large tax bill. Spreading sales over several years, giving appreciated shares to charity, or holding certain assets for heirs, who may receive a step-up in cost basis at death, are all worth weighing.

ASK YOURSELF

Are losses being harvested when they appear? Are gains being realized on purpose in low-income years? Is anyone coordinating sales in my taxable account with my conversion plan?

Still Earning? Consulting and Part-Time Income

Many people keep consulting, advising or working part-time after they retire. Self-employment income, even a modest amount, can make you a business owner for tax purposes, and that opens options a wage earner doesn't have.

What Can Open Up

- **Your own retirement plan.** Self-employed people can set up a SEP IRA or a solo 401(k) and contribute from net earnings, even while drawing on other savings. Many solo 401(k) plans also allow Roth contributions.[7]
- **Business deductions** for the ordinary and necessary costs of the work.
- **The qualified business income deduction,** which lets eligible owners deduct up to 20% of qualified business income. It was made permanent starting in 2026.[8]
- **Health insurance premiums,** including Medicare premiums, which may be deductible for self-employed people who meet the rules.[9]
- **Entity choices.** For larger practices, an S corporation can change how payroll taxes apply. It adds cost and paperwork, and owners must pay themselves reasonable compensation.[10]

Watch the Interactions

- **Self-employment tax** applies to net earnings, on top of income tax.
- **Social Security's earnings test.** Work income before full retirement age can temporarily reduce benefits.[11]
- **Everything else in this part.** New income can use up bracket room meant for conversions, move you closer to a Medicare premium line, or reduce a health credit.

> **Before you take on paid work in retirement,** ask how the income will be set up and taxed. How the work is structured can matter as much as what it pays.

Running Your Tax Plan Through the Year

Every move in this part depends on timing. A tax plan works best as a yearly rhythm, not a single meeting at tax time.

When	Focus	Typical tasks
Early in the year	Set the stage	Review last year. Set this year's income, conversion and giving targets. Confirm withholding and estimated payments.
Spring	File and adjust	File last year's return and note anything that changes this year's plan.
Midyear	Check progress	Update the tax projection. Look for losses to harvest. Review Medicare premium lines.
Fall	Decide	Finalize conversion amounts, gains, charitable gifts and required distributions before year-end deadlines.

In Retirement, Withholding Becomes Your Job

Once you're retired, there is no employer to withhold tax for you. Tax can be withheld from Social Security, pensions and IRA withdrawals, or paid through quarterly estimated payments, and underpaying during the year can bring a penalty.[12]

Withholding from an IRA distribution late in the year is generally treated as paid evenly through the year, a simple way to catch up after a large conversion or sale.

PART 5

05 Healthcare and Medicare

Healthcare is one of the largest and least predictable costs in retirement.

Bridging Coverage to 65

If you retire before 65, you'll need coverage until Medicare begins. The usual options:

- **A spouse's employer plan,** if one is available.
- **Retiree coverage** from a former employer, which has become less common.
- **COBRA,** which continues your employer plan for a limited period, usually at full cost.
- **The ACA marketplace,** where premium tax credits are based on household income.[13]

Because marketplace credits depend on income, the same Roth conversion or capital gain that makes sense for taxes can reduce or eliminate a credit. In the years before 65, health coverage and tax planning need to be decided together. The rules for these credits have changed in recent years, so check the current ones for your coverage year.

When Spouses Are Different Ages

Medicare is individual. If one spouse reaches 65 first, the younger spouse may still need coverage of their own, sometimes for several years. That can extend the period when income affects premium credits, and it's worth mapping out early.

ASK YOURSELF

How will we cover each of us until 65? Which of our planned conversions or sales could reduce a premium credit, and is the trade worth it?

Your Medicare Choices at 65

Medicare isn't automatic for everyone, the deadlines are strict, and some choices are hard to change later. A little planning before 65 goes a long way.

Key Dates and Rules

- **Initial enrollment** runs for seven months around your 65th birthday: the three months before your birthday month, that month and the three months after.[14]
- **Late enrollment** in Part B or Part D can bring penalties that last for life, unless you have qualifying coverage, such as an active employer plan.
- **Still working past 65?** Depending on the size of your employer, you may be able to delay Part B and enroll later in a special enrollment period.

Original Medicare + Medigap vs. Medicare Advantage

Most people choose between two broad paths. Neither is right for everyone; the better fit depends on your health, your budget, where you live and travel, and how much you value choice versus simplicity.[15]

Original Medicare + Medigap

POTENTIAL ADVANTAGES

- More predictable costs: a supplement can cover much of the deductibles and 20% Part B coinsurance that Original Medicare, which has no yearly out-of-pocket limit, leaves to you.
- Any doctor or hospital nationwide that accepts Medicare, without networks or referrals.

TRADE-OFFS

- A Medigap premium on top of the Part B premium, plus a separate Part D plan for drugs.
- Outside your first Medigap open enrollment period, insurers in many states can review your health before selling a policy.

Medicare Advantage

POTENTIAL ADVANTAGES

- Hospital, medical and usually drug coverage in one plan, and some plans charge no premium beyond Part B.
- A yearly limit on out-of-pocket costs for covered services, and some plans add extra benefits.

TRADE-OFFS

- Usually a provider network, and some plans require referrals or prior approval.
- Costs come as you use care, and switching back to Original Medicare later may not guarantee access to a Medigap policy.

Medicare Premiums and Your Income

Higher-income retirees pay more for Medicare. The surcharge, known as IRMAA, is added to Part B and Part D premiums for each spouse who is enrolled.

How It Works

- The surcharge is set by income tiers. Crossing a tier line by even a small amount moves you into the higher premium for the full year.
- It's based on your tax return from **two years earlier**. A conversion, home sale or large capital gain at 63 can raise premiums in your first year of Medicare.[16]
- For married couples, it applies to each spouse on Medicare, so the effect is doubled.
- The tiers are lower for single filers, which matters for a surviving spouse.

Managing It Without Letting It Run Your Life

IRMAA is a real cost, but it's set one year at a time and should be weighed against the taxes it might save. Sometimes paying a higher premium for a number of years in order to complete conversions is the better long-term trade.

- **Start planning at 63,** and leave a buffer below the tier line, since final income can surprise you.
- **Know about the appeal.** If income fell because of a life-changing event, such as retirement, the loss of a pension or the death of a spouse, you can ask Social Security to use more recent income with Form SSA-44.
- **Use the tools that keep income lower:** qualified charitable distributions, Roth withdrawals and careful timing of gains.

ASK YOURSELF

Will any one-time income, such as a home sale, a business sale or a large conversion, land in the year we turn 63 or later? Is there a way to spread it out?

PART 6

06 Investing for the Long Term

Everything in the earlier parts depends on a portfolio that can support decades of withdrawals. The good news is that the principles that tend to work best are also among the simplest.

Principles That Hold Up

- **Diversify broadly.** Spread investments across many companies, industries, countries and types of bonds, so that no single result can derail the plan.
- **Own the market rather than trying to beat it.** Research on fund performance consistently finds that managers who outperform in one period rarely keep doing so in the next.[17]
- **Don't try to time the market.** Moving in and out on forecasts risks missing the recoveries that drive long-term returns.
- **Keep costs low.** Costs are one of the few things in investing that you control with certainty.

Simple Isn't the Same as Unsophisticated

Complex strategies can be appealing, and they're often easier to sell than to justify. It's fair to ask any advisor what evidence supports an approach, and to be wary when the answer relies on a recent winning streak.

ASK YOURSELF

Can I explain, in a sentence or two, why my portfolio is built the way it is? Do I know what it costs, and how it would hold up in a difficult year?

Keeping Costs and Taxes Low

You can't control the market. You can control what you pay and how efficiently your investments are taxed. Both compound for as long as you're invested.

Know Every Layer of Cost

Costs come in several layers: fund expense ratios, trading costs, advisory fees and, with some products, sales charges or surrender fees. Investing is one of the few areas where paying more doesn't reliably buy quality. Two index funds that track the same index can hold the same investments and still charge very different fees.

Put Each Investment in the Right Account

Because the three account types are taxed differently, where you hold an investment can matter almost as much as what you hold. This is called asset location.

Account	Often a good home for…
Taxable	Broad stock index funds and ETFs, which tend to be tax-efficient.
Tax-deferred	Taxable bonds and other income-producing holdings, whose interest would otherwise be taxed each year.
Roth	Holdings with the highest expected long-term growth, since that growth can come out tax-free.

Asset location also affects future required distributions: holding slower-growing bonds in traditional IRAs can mean smaller RMDs later.

Choose Tax-Efficient Vehicles

In taxable accounts, many ETFs and index funds distribute fewer capital gains than actively traded mutual funds. When you already own holdings with large gains, it's usually better to transition gradually, with the tax cost in view, than to sell everything to fit a standard model.

PART 7

07 Protecting the People You Love

A plan isn't finished until it works for the people who come after you: a surviving spouse, children or the causes you care about.

Estate Basics That Matter Most

- **Wills and powers of attorney.** A will, a durable financial power of attorney and a healthcare directive form the core of most estate plans. Review them after a move, since rules differ by state.
- **Beneficiary designations.** Beneficiaries are among the most important, and most overlooked, parts of an estate plan. A beneficiary designation generally overrides what your will says, so an outdated form can send an account to someone you no longer intend. Keep primary and contingent beneficiaries current on every account.
- **Revocable trusts, when they help.** A trust can avoid probate, keep matters private, manage property in more than one state, or provide structure for heirs who need it. It only works if it's funded: accounts and property must be retitled into it.
- **Transfer-on-death options.** Many accounts allow a payable-on-death or transfer-on-death designation, and many states allow transfer-on-death deeds for real estate.[18] These can avoid probate without a trust, but they need careful coordination, especially with several heirs.

> **A practical test:** could your spouse or executor find every account, policy and document within a day? If not, a simple, up-to-date list may be the most useful estate document you own.

ASK YOURSELF

When did we last review our documents and beneficiaries? If we have a trust, are our accounts and home actually titled to it?

PART 7 · PROTECTING THE PEOPLE YOU LOVE

The Surviving Spouse

For most couples, one spouse will outlive the other, sometimes by many years. The financial changes that follow can be significant, and many can be eased by planning while both spouses are alive.

What Changes

- **Tax filing status.** After the year of death, and any qualifying years, the survivor generally files as single, with narrower brackets and lower Medicare premium tiers.[19]
- **Social Security.** The household keeps the larger of the two benefits and loses the smaller.
- **Pensions.** Income may continue in full, in part or not at all, depending on the election made at retirement.
- **Expenses.** Many costs don't fall by half, even though income often drops.

Together, these can leave a survivor with less income but a higher tax rate on what remains. This is sometimes called the survivor's tax trap.

Ways to Plan Ahead

- Use Roth conversions while still filing jointly, to reduce the traditional IRA balance a survivor will inherit and draw from as a single filer.
- Coordinate Social Security so the larger benefit is as large as reasonably possible.
- Weigh pension survivor options carefully.
- Simplify: consolidate accounts, keep a current list of accounts and advisors, and make sure both spouses know where everything is.

> Planning for a survivor is one of the most caring things a couple can do together, and it's far easier to do side by side than alone.

Giving With Purpose

If charitable giving is part of your life, how you give can matter almost as much as how much. The same gift can cost very different amounts depending on the method.

Give From Your IRA: Qualified Charitable Distributions

Starting at age 70½, you can give directly from a traditional IRA to qualified charities. The gift is excluded from your income rather than deducted, so it helps even if you don't itemize, and once required distributions begin, it can count toward your RMD. Keeping the gift out of income can also help with Medicare premiums and the taxation of Social Security.[20]

Give Appreciated Investments Instead of Cash

Donating shares you've held for more than a year, rather than writing a check, generally allows you to take a deduction if you itemize, and avoids tax on the gain. You can then use cash to rebuy similar holdings at a higher cost basis.

Bunch Gifts With a Donor-Advised Fund

If your giving usually falls short of what it would take to itemize, you can combine several years of gifts into one year through a donor-advised fund, itemize that year and take the standard deduction in others. The fund then makes grants to charities on your schedule. Recent law changes affect deductions for both itemizers and non-itemizers, so check the current rules.

Plan the Gifts You Leave

Charities pay no income tax on retirement accounts they inherit, while most family members do. Naming a charity as beneficiary of part of a traditional IRA, and leaving Roth and taxable accounts to family, can let the same estate do more for everyone.

ASK YOURSELF

Which accounts or holdings would make the least costly gifts? Would giving from our IRA lower income in a year when it matters? Who should continue our giving after we're gone?

PART 8

08 Choosing the Right Help

Many retirees work with a professional for some or all of what this guide describes. The right advisor can coordinate the pieces. The wrong arrangement can quietly cost a fortune. It helps to know what to look for.

Where the Gaps Usually Appear

Coordination is where many plans quietly break down. Many households have an investment advisor, a tax preparer and an estate attorney who rarely talk to one another. Common gaps include:

- **A trust that was never funded.** The documents are signed, but the house and accounts are never retitled into the trust, so it controls little or nothing.
- **A rebalance that collides with a conversion.** Gains realized in the taxable account push income past a line the conversion was carefully sized to stay under.
- **Beneficiary forms that outrank the estate plan.** Retirement accounts and life insurance pass by beneficiary designation, not by your will or trust.

What Advice Really Costs

Ask any advisor to show you their full cost, not just the headline fee. It usually has several layers:

- **The advisory fee,** often a percentage of assets, a flat fee or an hourly rate.
- **Fund expenses** inside the investments, which are taken out before you see returns.
- **Commissions or sales charges** on products such as some annuities, insurance policies or share classes.
- **Surrender charges or lock-ups** that make it costly to leave.

How Advisors Are Paid

A fee-only advisor is paid only by clients, not by commissions on products. That removes an important conflict and makes pricing clear. But clear pricing and fair pricing are different things, so it's still worth comparing what you pay with what you receive.

Fees deducted directly from an account are easy to overlook, because you never write the check. Ask to see your total annual cost as a dollar amount, and compare it with the work actually being done for you.

PART 8 · CHOOSING THE RIGHT HELP

Is the Advice Worth What It Costs?

Fees are easy to overlook because they leave your account quietly. Over a long retirement, though, cost can matter as much as any decision in this guide.

Fiduciary Is the Minimum, Not the Measure

A fiduciary must act in your best interest, and it's worth insisting on. But many advisors are fiduciaries, and the label alone doesn't tell you whether the advice is good, whether opportunities are being captured, or whether the fee is reasonable.

Why Costs Compound

A fee costs more than the amount paid, because that money is no longer invested and growing for you.[21] Ask for your total cost in dollars for this year, and how it would change as your portfolio grows.

Read the Whole Fee Schedule

Asset-based fees are often tiered, with lower rates on larger balances. Ask how the tiers apply and whether household accounts are combined.

Be Careful With Complex Products

Some annuities and insurance products layer several charges, such as mortality and expense fees, rider fees, fund expenses and surrender charges, each described differently.[22]

A Plan Is a Process, Not a Document

A one-time plan dates quickly: fund distributions, markets, tax law and life all change the numbers. A good financial plan is never really finished. It should be revisited and reshaped as your goals, your family and the world around you change, so it keeps pace with the life you're actually living.

> **The simple test:** the value you receive should clearly exceed the total cost. If you could capture the same opportunities yourself, or get the same work for less, it's worth knowing.

PART 8 · CHOOSING THE RIGHT HELP

Questions to Ask Any Advisor

The best time to understand how an advisor works is before you hire them. These questions help you see the work, the people and the costs up front.

- ☐ **Who will work on my plan day to day,** and will I meet them before I sign, or does a different team take over later?
- ☐ **Can you show me a sample of your work,** such as an example plan or a first look at my own situation?
- ☐ **How are you paid, and what will I pay in total,** including any fund or product expenses?
- ☐ **Do you use proprietary products,** or anything with surrender charges or lock-ups?
- ☐ **Who holds my assets?** Is it an independent custodian, in my name?
- ☐ **Who trades my account,** and how is trading coordinated with my tax plan?
- ☐ **Do you use a consistent checklist or process** so nothing is overlooked from year to year?
- ☐ **Who coordinates with my CPA and estate attorney?**
- ☐ **How do I leave?** Notice period, prorated fees, and whether my accounts stay where they are.

SELECTIVE
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Take the Next Step

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Book a free strategy session to talk through the decisions in this guide, and how they apply to you.

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PREFER TO TALK FIRST? (434) 818-1162

SOURCES

Endnotes

Rules, ages and dates described in this guide were checked against these sources in October 2026. Tax laws change; verify current rules before acting.

1. IRS, “Retirement plan and IRA required minimum distributions FAQs” and Publication 590-B; Treasury/IRS final RMD regulations, Federal Register (July 19, 2024): RMD starting ages, and no lifetime RMDs for designated Roth 401(k) accounts beginning in 2024.
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18. Uniform Law Commission, Uniform Real Property Transfer on Death Act; state summaries of transfer-on-death deed statutes.
19. SSA, “What you could get from Survivor benefits”; IRS, Publication 501: filing status in the year of death and qualifying surviving spouse rules.
20. IRS, Topic No. 506, “Charitable Contributions,” and Publication 590-B; Congressional Research Service, “Qualified Charitable Distributions from IRAs,” IF11377.
21. SEC, Investor.gov, “How Fees and Expenses Affect Your Investment Portfolio”; adviserinfo.sec.gov.
22. SEC, Investor.gov, “Updated Investor Bulletin: Variable Annuities”: surrender charges, mortality and expense risk charges, administrative fees and rider charges.

IMPORTANT INFORMATION

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