

## **BUCKET LIST FOR YOUR RETIREMENT INCOME**

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If you are about to retire, you probably have a “bucket list” of things that you want to do that you never had time to do when you worked full-time. Besides that bucket list, you need to prepare another bucket list – a list of your different buckets of income and assets you will have at retirement.

The first step in retirement planning is to determine how much money you need to support your post-retirement lifestyle. The second step is to determine what bucket of money you will use to get you to the net after-tax amount that you need. If you are like most retirees, your income will come from many sources – 401k, ROTH IRA, social security, appreciated and non-appreciated investments, part-time work, annuities, cash value of life insurance, etc.

You should work with your CPA and financial planner to determine when to take funds from each bucket so that you have the income you need to pay your expenses while minimizing the tax burden. Of course, some of the decisions will be limited. For example, you must take your minimum required distributions from retirement accounts at age 70 ½. Other decisions allow for much more flexibility like social security which you can start taking anywhere from 62 to 70 years old.

Keep in mind that once a retirement plan is in place, it will need to be adjusted annually based on changes in life needs and investment results.



However, planning now can save stress in the future and perhaps a significant amount of income taxes during your remaining lifetime.

If you have any questions about this or any other tax issue, please contact your Account Manager or [Brian Hantsbarger](mailto:bhants@connerash.com), Partner, Tax and Business Services, at (314) 205-2510 or via email at [bhants@connerash.com](mailto:bhants@connerash.com)