****

Retirement is a whole new phase of life. You’ll experience many new things, and you’ll leave others behind – but what you won’t avoid is taxes. If you’ve followed the advice of retirement plan consultants, you’re probably saving in tax-advantaged retirement accounts. These types of accounts defer taxes until withdrawal, and you’ll probably withdraw funds in retirement. Also, you may have to pay taxes on other types of income - Social Security, pension payments, or salary from a part-time job. With that in mind, it makes sense for you to develop a retirement income strategy.

**Consider when to start taking Social Security.** The longer you wait to begin your benefits (up to age 70), the greater your benefits will be. Remember, though, that currently up to 85 percent of your Social Security income is considered taxable if your income is over $34,000 each year.

**Be cognizant of what tax bracket you fall into.** You may be in a lower tax bracket in retirement, so you’ll want to monitor your income levels (Social Security, pensions, annuity payments) and any withdrawals to make sure you don’t take out so much that you get bumped into a higher bracket.

**Think about your withdrawal sequence.** Generally speaking, you should take withdrawals in the following order:

* Start with your required minimum distributions (RMDs) from retirement accounts. You’re required to take these after all.
* Since you’re paying taxes on taxable accounts, make this the second fund you withdraw from.
* Withdraw from tax-deferred retirement accounts like IRAs, 401(k)s, or 403(b)s third. You’ll pay income tax on withdrawals, but do this before touching Roth accounts.
* Lastly, withdraw from tax-exempt retirement accounts like Roth IRAs or 401(k)s. Saving these accounts for last makes sense, as you can take withdrawals without tax penalties. These accounts can also be used for estate planning.

These factors are complex, and you may want to consult a tax professional to help you apply these tips to your own financial situation. You can test different strategies and see which ones can help you minimize the taxes you’ll pay on your savings and benefits.

**For more information on retirement tax tips, contact Kevin Donahue CRPC® AIF®, with Risen Son Financial, at 813-512-2746 or kevin@risensonfinancial.com**

The information given herein is taken from sources that I FP Advisors, LLC, dba Independent Financial Partners (IFP), IFP Securities LLC, dba Independent Financial Partners (IFP), and its advisors believe to be reliable, but it is not guaranteed by us as to accuracy or completeness. This is for informational purposes only and in no event should be construed as an offer to sell or solicitation of an offer to buy any securities or products. Please consult your tax and/or legal advisor before implementing any tax and/or legal related strategies mentioned in this publication as IFP does not provide tax and/or legal advice. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors. This report may not be reproduced, distributed, or published by any person for any purpose without I FP's express prior written consent.