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Tax & Estate Planning for Your Retirement Savings

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Join the Retirement Planning Conversation

Combining NUA With a CRD

If the stars align in 2020, some individuals may be able to take advantage of two tax benefits with a single transaction. By leveraging both a coronavirus-related distribution (CRD) and net unrealized appreciation (NUA), a fortunate few will be able to have their cake and eat it too. Ultimately, the goal is to minimize the overall taxes due on a plan distribution while spreading up to $100,000 of those taxes over a three-year period. Yes, the qualifications for this strategy may indicate a person is facing some greater challenges, but an NUA/CRD combination may help alleviate some financial concerns.

Three Questions to Determine Eligibility

To take advantage of both a CRD and NUA, one must answer "yes" to each of the following questions:

1. Do you qualify for a CRD? The CARES Act allows up to $100,000 to be withdrawn from a retirement plan or IRA in 2020 while avoiding the 10% early distribution penalty. Taxation from these CRDs can be spread evenly over a three-year period, beginning in 2020.

However, only affected persons may take a CRD. Though the definition casts a wide net, not all meet the guidelines. "Affected individuals" are those or their spouse or dependents who are diagnosed. Also included are those who experience adverse financial consequences as a result of either the individual, the individual's spouse or a member of the individual's household being quarantined; being furloughed or laid off or having work hours reduced due to the virus; being unable to work due to lack of childcare because of the virus; closing or reducing hours of a business owned or operated by the individual, the spouse or member of the household due to the virus; having a reduction in pay (or self-employment income) due to the virus; or having a job offer rescinded or start date for a job delayed due to the virus. ("Member of the individual's household" includes those who share the individual's principal residence, such as a friend, partner, child, other relative or roommate.)

2. Do you have highly appreciated company stock in your work plan? The mechanics of the NUA tax break on company stock are relatively simple. Plan participants can withdraw their company stock and pay regular (ordinary) income tax, but only on the original cost basis when the stock was acquired within the plan — *not on the market value on the date of the distribution.* The difference (the appreciation) is the NUA.

Then, the plan participant can defer the tax on the NUA until the stock is sold. Upon liquidation, long term

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Executive Summary

Combining NUA With a CRD

- To take advantage of the combined net unrealized appreciation (NUA)/coronavirus-related distribution (CRD) strategy, one must answer "yes" to each of the following: *Do you qualify for a CRD? Do you have highly appreciated company stock in your work plan? Have you hit an NUA trigger event?*
- Since CRDs are only available in 2020, and since NUA transactions may take several weeks to implement, the time to act is now.
- Eligible individuals under age 59½ hit the trifecta — *no 10% penalty on the CRD up to $100,000, ability to spread the tax on the company stock basis over three years, and long-term capital gains rates on the NUA.*
- While a CRD can be repaid, the NUA/CRD strategy should not be leveraged for the repayment feature, as that would ruin the NUA portion of the transaction.
- The 1099-R will not reflect a CRD. It is up to the individual to prove CRD eligibility.

Leaving Employment With an Unpaid Plan Loan

- Workplace retirement savings plans such as 401(k), 403(b) and 457(b) plans are allowed to offer loans but are not required to do so.
- Loans are not permitted from IRAs, SEPs or SIMPLE IRA plans.
- Under the CARES Act, plan loans are limited to 100% of a participant's vested balance, but no more than $100,000 (reduced by outstanding loans).
- Generally, plan loans must be repaid within five years. But a loan used to purchase a principal residence can have a longer repayment period (typically 15 years).
- A plan loan offset typically occurs when a participant terminates employment with an unpaid loan.
- Even though a person with a loan offset does not actually receive anything, the offset amount is considered a distribution potentially subject to tax and the 10% early distribution penalty.
- A deemed distribution normally occurs when a participant who is still working violates one of the plan loan rules, i.e., the maximum loan amount, the maximum repayment period, or the frequency of repayment requirement.

Tumultuous Times Require A Revised Roth Response

- Clients should consider Roth conversions even if they will retire in a lower tax bracket; moreover, using IRA money to pay the tax on a Roth conversion can make financial sense.
- The income tax rate that a client will face in retirement is not the only factor to consider. The calculation should also include the way a client's provisional income will affect the tax on Social Security benefits, the premiums payable for Medicare Parts B and D, the dreaded "Widow Tax's" (which often boosts the tax bill for a surviving spouse), the impact that withdrawals from an inherited IRA will have on beneficiaries' tax brackets now that the stretch IRA has been curtailed, and so on.
- Today's low tax rates reduce the value of tax-deferred accounts, while adding to the value of potentially tax-free Roth conversions.

capital gains rates will apply, even if the stock is sold the day after the distribution.

The stock does not have to be held more than one year to qualify for the long-term capital gains rate on the NUA. However, any appreciation from the distribution date through the date of sale would have to be held for the required time to be eligible for long-term capital gains rates.

In addition, to qualify for the tax deferral on NUA, the distribution must be a lump-sum distribution, meaning the entire work plan must be emptied in one calendar year.

Limited exceptions for items like dividends or interest payments that occur after the end of the year will not necessarily disqualify the lump sum requirement. Other assets in the plan can be rolled over to an IRA, while the company stock with the NUA is transferred in-kind to a non-qualified brokerage account.

Example: Joshua has a total of $500,000 in company stock in his 401(k) along with another $200,000 in other investments. His cost basis in the company stock is $75,000, which means he has $425,000 in NUA.

If Joshua executes an NUA transaction, the $200,000 in non-

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company stock is rolled over to an IRA.

The company stock is then transferred in-kind to his non-qualified brokerage account. Joshua will pay ordinary income tax on the $75,000 basis in the year of distribution, and he will pay long term capital gains on the $425,000 whenever it is sold.

3. Have you hit an NUA trigger event? While the NUA tax break is a boon to some, it is not available to all. In order to initiate an NUA transaction, the plan participant must hit one of four trigger events:

1. Reaching age 59½;
2. Separation from service (not for the self-employed);
3. Disability (only for self-employed); *or*
4. Death.

For the NUA/CRD combination to work, a plan participant must have reached one of these milestone triggers. With the COVID-19 pandemic's complete disruption of the economy, there is a likelihood that the number of plan participants who qualify for NUA under the "separation from service" trigger could be elevated.

NUA/CRD Timing

Assuming an individual answers yes to all three questions (qualifies as an affected person; has highly appreciated company stock; hit a trigger), then the time to act is now! From the time the employer makes the in-kind distribution to the time the transfer agent issues new shares, NUA transactions may take up to several weeks to implement.

As mentioned, the entire NUA transaction must take place within one tax year in order to qualify as a lump-sum distribution and thereby merit the tax advantage. Since CRDs are only available in 2020 (up to a maximum amount of $100,000), eligible individuals have less than four months to complete the process.

Assuming an individual answers yes to all three questions (qualifies as an affected person; has highly appreciated company stock; hit a trigger), then the time to act is now!

NUA/CRD Combination Strategy Case Study

Laura is a banker who was displaced from her job due to the COVID-19 pandemic. This layoff qualifies her as an affected person, and she is now eligible to take a CRD. Laura is only 53 years old, but since she has separated from service, which is a trigger, she is also eligible for NUA.

Laura has a 401(k) worth $800,000. This includes $150,000 in non-company stock and $650,000 in the bank stock of her former employer. Her cost basis in the bank stock is $125,000. Laura and her advisor decide that both a CRD and NUA distribution will be beneficial.

Laura rolls over the $150,000 in non-company stock to her IRA. She then has all $650,000 of her company stock transferred in-kind to her non-qualified brokerage account, thereby completing her lump-sum distribution. Normally, the basis of $125,000 would all be taxable to Laura in 2020 at ordinary income rates, and the $525,000 of NUA would be taxed at long-term capital gains rates when sold. However, Laura will also be leveraging a CRD.

Laura earmarks $100,000 of her basis as a CRD — *the maximum amount allowable.* A CRD allows her to spread the taxes due on $100,000 (by spreading the income) over three years.

In 2020, this combined NUA/CRD transaction will generate ordinary income of $58,333 ($33,333 from ⅓ of the CRD spread, plus the $25,000 basis that was over and above the CRD maximum). In years 2021 and 2022, Laura will add $33,333 in income each year as she completes the three-year spread of the CRD.

When Laura ultimately sells her bank stock, she will pay long-term capital gains rates on the $525,000 NUA. If she holds the stock for more than a year, any appreciation after the original distribution will also qualify for the more desirable long-term capital gains rates.

As an added benefit, since Laura is under age 59½, the early withdrawal/under age 59½ 10% penalty does not apply to CRDs. Laura avoids the penalty on $100,000 of her basis. She will, however, pay a 10% penalty ($2,500) on the $25,000 in basis that was not sheltered by the CRD.

Laura views this as a small price to pay vs. the alternative of rolling a portion of the bank stock to her IRA to avoid the penalty, but then paying what she believes will be higher tax rates in the future when the bank stock is finally withdrawn from the IRA.

Miscellaneous NUA/CRD Considerations

Eligible individuals under age 59½ like Laura hit the trifecta — *no 10% penalty on the CRD up to $100,000, the ability to spread the tax on the company stock basis over three years, and long-term capital gains rates on the NUA.* Those over age 59½ never need to worry about the 10% penalty.

A CRD can be repaid. However, the NUA/CRD strategy should not be leveraged for the repayment feature. In this situation, the three-year tax spread is what is most valuable. In fact, any repayment or rollover of the company stock back

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to the plan or to an IRA will ruin the NUA portion of the transaction.

At year end, Form 1099-R will report the NUA. But, the 1099-R will not reflect a CRD. Regardless of whether the retirement plan treats the distribution as a CRD, an affected person may do so on his own, and it is up to that individual to prove CRD eligibility. The full CRD (or ⅓ of it) is to be reported on the federal income tax return for 2020. While the IRS has indicated that CRDs will be handled on Form 8915-E, the 2020 form has yet to be released.

Qualifying as an affected person for a CRD as well as being eligible for NUA due to a job loss is a challenging combination of circumstances. Nevertheless, leveraging a combined NUA/CRD strategy is one possible way to make the best of a difficult situation. ■

Leaving Employment With an Unpaid Loan

One of the many unfortunate effects of the coronavirus pandemic is the adverse tax consequences facing those individuals who have lost their job with an outstanding company plan loan.

Advisors can assist beleaguered clients in this situation by understanding the difference between "loan offsets" and "deemed distributions" and how the CARES Act affects plan loans.

Plan Loan Basics

Workplace retirement savings plans, such as 401(k), 403(b) and 457(b) plans, are allowed to offer plan loans but are not required to do so. Loans are not permitted from IRAs or SEP and SIMPLE IRA plans, but 60-day IRA rollovers are sometimes used as "short-term loans."

Normally, plan loans are limited to 50% of a participant's vested account balance, but no more than $50,000 (reduced by prior outstanding loans). The CARES Act allows company savings plans to double the usual maximum amount for loans taken before September 23, 2020 by a "qualified individual" (as defined under the CARES Act and IRS Notice 2020-50.)

In that case, the limit would be 100% of a participant's vested balance, but no more than $100,000 (reduced by outstanding loans). However, increasing the loan limit is optional for plans.

Generally, plan loans must be repaid within five years. Loans must be repaid in level installments made at least quarterly. Most plans require repayment through payroll deduction. *(Note: A loan used to purchase a principal residence can have a longer repayment period, typically 15 years.)*

The CARES Act allows plans to delay loan repayments originally due between March 27, 2020 and December 31, 2020 for up to one year. Subsequent repayments must be adjusted to reflect the repayment delay and any interest accruing during the delay. As with increasing the loan maximum, delaying loan repayments is optional for plans.

The CARES Act allows plans to delay loan repayments originally due between March 27, 2020 and December 31, 2020 for up to one year.

For clients in need of quick cash, a plan loan offers definite advantages. Loans do not require a credit check, and the application process is easy. Plan loans often offer lower interest rates than commercial loans. And, as long as the loan satisfies the aforementioned rules, it is not subject to tax when made.

On the other hand, borrowing against plan funds reduces the tax-deferred savings available for retirement. For this reason, clients in financial need should be advised to utilize any available funds outside the plan before taking a plan loan. This is especially true in these challenging economic times, because unpaid loans can have serious tax ramifications when a participant leaves employment — *whether voluntarily or not.*

Loan Offsets

A loan offset typically occurs when a participant terminates employment with an unpaid loan. In that situation, most plans will allow a period of time for the loan to be paid off. If the participant does not repay the loan, the plan will reduce (offset) the participant's account balance in order to recoup the dollars owed.

Even though a person with a loan offset does not actually receive anything, the offset amount is considered a distribution, potentially subject to tax and the 10% early distribution penalty. However, clients who have the resources to come up with the funds can avoid immediate tax and penalty by rolling over the offset amount to an IRA or another company plan.

Before 2018, the deadline for rollover was the usual 60 days. In the Tax Cuts and Jobs Act, Congress extended the rollover deadline for "qualified plan loan offsets" (an offset that occurs on account of severance from

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employment or termination of the plan). The extended deadline for a qualified offset is the individual's federal tax return due date (including extensions) for the year of the offset.

On August 20, 2020, the IRS issued proposed regulations clarifying this extended rollover deadline. The IRS said a qualified plan loan offset can be rolled over as late as 6 months beyond the tax return due date (i.e., as late as October 15) — *even if the individual does not request an extension to file his tax return.*

Example 1: Mika, age 45, terminates employment on February 15, 2020 with a $75,000 401(k) account balance and a $30,000 outstanding loan balance.

Mika is unable to repay the loan. She elects a direct rollover of her 401(k) account balance to an IRA. On March 31, 2020, the plan offsets her $75,000 account balance by the $30,000 loan balance and transfers $45,000 to her IRA.

Mika does not actually receive the $30,000, but, if not timely rolled over, it is considered 2020 taxable income and subject to the 10% early distribution penalty. Assume Mika files her 2020 tax return by April 15, 2021 and includes the additional $30,000 income and $3,000 penalty on that return (because she could not find other sources to replace the $30,000).

Even if Mika does not request an extension to file her 2020 return, she still has another 6 months — *until October 15, 2021* — to come up with the $30,000. If those funds become available for rollover, she can file an amended 2020 return by October 15, 2021 to recover the taxes and penalty already paid on the loan offset.

Loan Offsets Treated as CRDs

A person considered a "qualified individual" under the CARES Act can treat up to $100,000 of 2020 company plan and IRA distributions as a coronavirus-related distribution (CRD) and qualify for three tax breaks:

1. A CRD is exempt from the 10% early distribution penalty;
2. Taxable CRD income can be spread ratably over tax years 2020, 2021 and 2022; *and*
3. A CRD can be repaid tax-free within three years.

A plan loan offset received in 2020 by a qualified individual can be treated as a CRD.

A plan loan offset received in 2020 by a qualified individual can be treated as a CRD.

Example 2: Mika receives a job offer with a new employer that is later rescinded on account of COVID-19.

As long as Mika's total 2020 CRDs do not exceed $100,000, she can treat the plan loan offset as a CRD. In this case, she would be exempt from the $3,000 early distribution penalty. She could also spread the $30,000 income ratably, so that $10,000 is included as taxable income for 2020, 2021 and 2022. Finally, Mika would have almost 1½ years longer — *until April 1, 2023* — to come up with the $30,000 (or a lesser amount) and roll over that amount to an IRA or another company plan to recover all or part of the taxes paid on the loan offset.

Deemed Distributions

A deemed distribution normally occurs when a participant who is still working violates one of the plan loan rules discussed earlier (i.e., the maximum loan amount, the maximum repayment period, or the frequency of repayment requirement).

If the violation is on account of a late repayment, the plan can (but is not required to) allow a cure period before a deemed distribution results. That period can extend until the last day of the calendar quarter following the quarter in which the payment was originally due. And, if the plan allows CARES Act loan repayment relief, COVID-19 qualified individuals also can delay loan repayments otherwise due between March 27, 2020 and December 31, 2020.

The amount of a deemed distribution equals the entire outstanding loan balance at the time of default. A deemed distribution is taxable and subject to the 10% early distribution penalty. Unlike a loan offset, a deemed distribution is not considered an actual distribution and therefore is not eligible for rollover. It also cannot be treated as a CRD even if the employee is a CARES Act qualified individual.

Example 3: Mario, age 32, borrows $40,000 from his employer's 403(b) plan. The plan does not adopt the CARES Act loan repayment delay. Mario is a CARES Act qualified individual because his dependent child was diagnosed with COVID-19.

The loan requires Mario to make monthly repayments by remitting a check to the plan. Mario fails to make the repayment due August 31, 2020 or any repayments thereafter. The plan allows him a cure period through December 31, 2020 to make up the August-December 2020 installments.

If Mario does not make up his missed payments by December 31, 2020, he will have a deemed distribution equal to the outstanding December 31, 2020 loan balance (assume $34,000). This will generate $34,000 of additional 2020 taxable income and subject him to a $3,400 early distribution penalty.

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Even though Mario is a CARES Act qualified individual, he cannot roll over the $34,000 and cannot treat it as a CRD.

Example 4: If Mario's 403(b) plan adopts the CARES Act repayment relief, he could delay repayment until January 2021, at which time his loan will be reamortized and extended. Although there is no clear IRS guidance on this, it is possible that the plan's cure period could operate to delay repayment even longer — *until June 30, 2021.*

Conclusion

The possibility of job loss in this uncertain economy is sadly all too real for many individuals. For this reason, advisors must be especially prepared to advise clients on both the tax consequences that normally apply when a client terminates employment with an outstanding plan loan and the special rules that come into play when the client is a CARES Act qualified individual. ■

Tumultuous Times Require a Revised Roth Response

Guest Expert

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We are currently living in an unprecedented financial environment. From the pandemic of 2020 to extreme market volatility to the lowest tax rates in almost 100 years, as well as the foreknowledge that those rates will go up in 2026, this year presents the perfect opportunity to take a close look at how your clients are saving for retirement. With all of this in mind, their plans may need some updating.

From my 20 years of experience helping individuals prepare for and successfully transition to retirement, I have learned that most people fear change. They have been investing a certain way for decades and see no reason to question whether this is the best path, so they fail to include the ever-changing tax environment in their retirement plans. For instance, in the 1980s an assumption that retirees would move into a lower tax bracket might have been reasonable. Unfortunately, this is not the case for many investors today.

Roths To The Rescue

If clients might face a higher effective tax rate in retirement, potentially tax-free Roth accounts become more desirable. Indeed, I am getting a lot of questions from my clients as to whether they should be considering a Roth IRA conversion; my answer is a resounding "YES!"

I have developed inTELOSfp — *financial planning software that takes into account all the factors necessary to calculate the true tax savings of a Roth conversion.* What I have discovered changes the way I create and implement clients' retirement plans.

Specifically, this software takes a new look at what had been considered two immutable facts about Roth conversions:

1. People should consider Roth conversions or contributions only if they think they may retire in a higher tax bracket. Otherwise, it's better to continue deferring tax payments to a future time.
2. People should never pay the tax on a Roth IRA conversion with money in that IRA. To use those dollars would defeat the purpose of the conversion.

I have found that both ideas are far from immutable. Clients should consider Roth conversions even if they will retire in a lower tax bracket; further, using IRA money to pay the tax on a Roth conversion can make financial sense.

Why these reconsiderations? Because the income tax rate that a client will face in retirement is not the only factor to consider.

The calculation should also include the way a client's provisional income will affect the tax on Social Security benefits, the premiums payable for Medicare Parts B and D, the dreaded "Widow Tax" (which often boosts the tax bill for a surviving spouse), the impact that withdrawals from an inherited IRA will have on beneficiaries' tax brackets now that the stretch IRA has been curtailed, and so on.

> Clients should consider Roth conversions even if they will retire in a lower tax bracket.

Not only should many, if not most, clients consider a Roth conversion, but they should also question whether contributions to a traditional pre-tax 401(k) make sense. (If there is no Roth 401[k] available, contributing at least enough to a pre-tax 401[k] to get a full match generally is wise.) The answer may have a massive effect on their retirement lifestyle.

Traditional Versus Roth Contributions

Assuming that clients should be saving for retirement, how should they be making their contributions? If they believe tax rates are going to decrease over their working

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years and into their retirement, making pre-tax contributions to traditional retirement accounts is a reasonable plan.

However, if clients think there is a possibility that tax rates may rise over the coming years, then they should weigh paying the tax now, at a lower rate, via Roth IRA or Roth 401(k) or back-door Roth contributions, or some combination.

With these Roth tactics, they're paying the tax now at historically low rates and allowing the money to potentially grow, tax-free. Their distributions from retirement accounts can avoid being taxed at a higher effective rate.

Accelerating Taxes via Roth Conversions

Deciding whether to convert tax-deferred dollars to after-tax Roth accounts demands more computations. Advisors should consider a client's current tax bracket, expected future tax bracket, anticipated Social Security income, any pension income, and the net value of the future estate.

Further inputs include the amount of income tax on the Roth conversion, the source of those funds, and whether jumping into higher tax brackets because of the conversion can be justified. A sophisticated software program may be able to compare different plans, arrive at "lifetime tax" calculations for each one, and help decide how to move forward.

To address the question of choosing the source of funds for paying the tax on a Roth IRA conversion, advisors can run two different computations. One will show the tax payment coming from outside the IRA and the other will show the use of IRA funds to pay the tax.

Although it always will be better to use non-IRA funds to pay the tax, that does not mean using IRA money must be ruled out.

I have found that individuals can still enjoy significant tax savings over their lifetime if they fund a conversion with IRA money, especially because Roth IRA owners never have RMDs, which can cause more of their Social Security income to become taxable. Also, clients' beneficiaries can inherit the Roth IRAs, 100% income tax-free.

Although it always will be better to use non-IRA funds to pay the tax, that does not mean using IRA money must be ruled out.

Crunching the Numbers

Example: Ronald and Susan are both age 65 with $795,000 in their IRAs. Susan also has a pension. This couple is spending down some of their IRA money for living expenses and delaying Ronald's Social Security until he reaches age 70, to maximize his retirement income and her survivor benefit.

Suppose Ronald and Susan convert $200,000 of their IRAs each year for the next 4 years. (We'll assume their IRAs earn an annualized 5%, so they will have a small conversion amount in year 5.) These Roth conversions will push them into the 24% tax bracket.

Ronald and Susan find this acceptable, because their RMDs, Susan's pension, and their Social Security benefits were going to push them into the 25% tax bracket seven years from now, at age 72.

Our calculator shows a $210,000 tax savings with the Roth IRA conversions versus holding traditional IRAs and taking RMDs. With expected savings of this magnitude, it makes sense to do these partial conversions.

Next, Ronald and Susan's advisor should discuss where they'll get the money to pay the tax on the annual conversions. Assuming the couple has no available assets outside their IRAs, the answer is obvious: the dollars must come from their IRAs.

Will that make sense? To find out, we assume they do these annual conversions, withholding a net 18% tax, and then run an estate comparison.

At the second death, the traditional IRA would have around $831,000 left. Assume the heirs distribute these funds and pay the top income tax rate bracket at that time, currently set to be 39.6%. The heirs would receive around $500,000, and the IRS would receive over $300,000.

Conversely, if we assume a 5-year full Roth conversion and net out the taxes (because there will be no RMDs), the Roth value would balloon to over $1,800,000. This would be received income tax-free no matter how or when their beneficiaries decide to distribute the funds.

Even if the beneficiaries decide to let the inherited money sit inside the Roth accounts for the 10 years permitted by the Secure Act, they still will be better off with the Roth legacy.

For example, assume the accounts earn 7% over those 10 years, after an individual inherits an $800,000 IRA. In 10 years, the individual must pay tax on the entire $1,600,000 of withdrawn IRA assets. The tax rate could be the top 39.6%, now scheduled after 2025, or higher if taxes go up.

With the Roth account, the individual would net $3,600,000, before any state inheritance tax. Again, the Roth wins hands down!

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Regarding RMDs

To be fair, that comparison did not calculate the RMDs that would have been distributed from the traditional IRAs. Maybe the clients would spend them, maybe they would invest them — *it's impossible to know.* What I do know is that currently there are no RMDs for Roth IRA owners. Thus, when you compare a traditional IRA to a Roth, the Roth wins. *Period.*

We are living in very different times and different times require different planning tools. Advisors now can go to their clients armed with the math and let them decide which option is better. Typically, there is no question — *clients choose the Roth route.*

Moving client assets to tax-free territory can set them up for success, and doing so before tax rates move higher will allow them to win the tax wars in the decades to come.

Advisor Action Plan:

- Include conversations about Roth accounts in client meetings that cover retirement planning.
- Explain that today's low tax rates reduce the value of tax-deferred accounts while adding to the value of potentially tax-free Roth conversions.
- Cover all the various tax traps that can expand retirees' effective tax rates, such as higher Medicare premiums, the widow's tax, and the tax torpedo that can blow away money when IRA withdrawals mix with Social Security income.
- Suggest Roth IRA conversions at relatively low tax rates even if the tax is paid with money in IRAs.
- Run numbers showing the long-term benefits of Roth conversions to clients and their beneficiaries, in total dollars. ■

For 20 years **Joe Wirbick, CFP®, CEPA, CDFA** has been on a mission to show his clients what "they" never tell you about reducing risk, retiring tax free, and ensuring their standard of living during retirement. His multiple-award-winning company, Sequinox, has become one of the premiere sources that retirees and High Net Worth Entrepreneurs trust to understand the, often confusing world, of retirement.

Joe's passion for taking the guesswork out of retirement led him to write his hit book, *Everything They Never Told You About Retirement*, which topped the charts as an international #1 bestseller in four countries. Organizations frequently request Joe to speak about the topics covered in his book at conventions all over the world. His charisma and relatability make him a consistently top-rated speaker, helping attendees better understand how they can achieve their dream life in retirement.

Joe has been awarded the Central Penn Business Journal's "Forty Under Forty" award and was named as "Entrepreneur of the Year." Most recently, he was named #1 Wealth Manager in Central Pennsylvania by Central Penn Business Journal. Joe is a member of Ed Slott's Master Elite IRA Advisor Group℠.

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