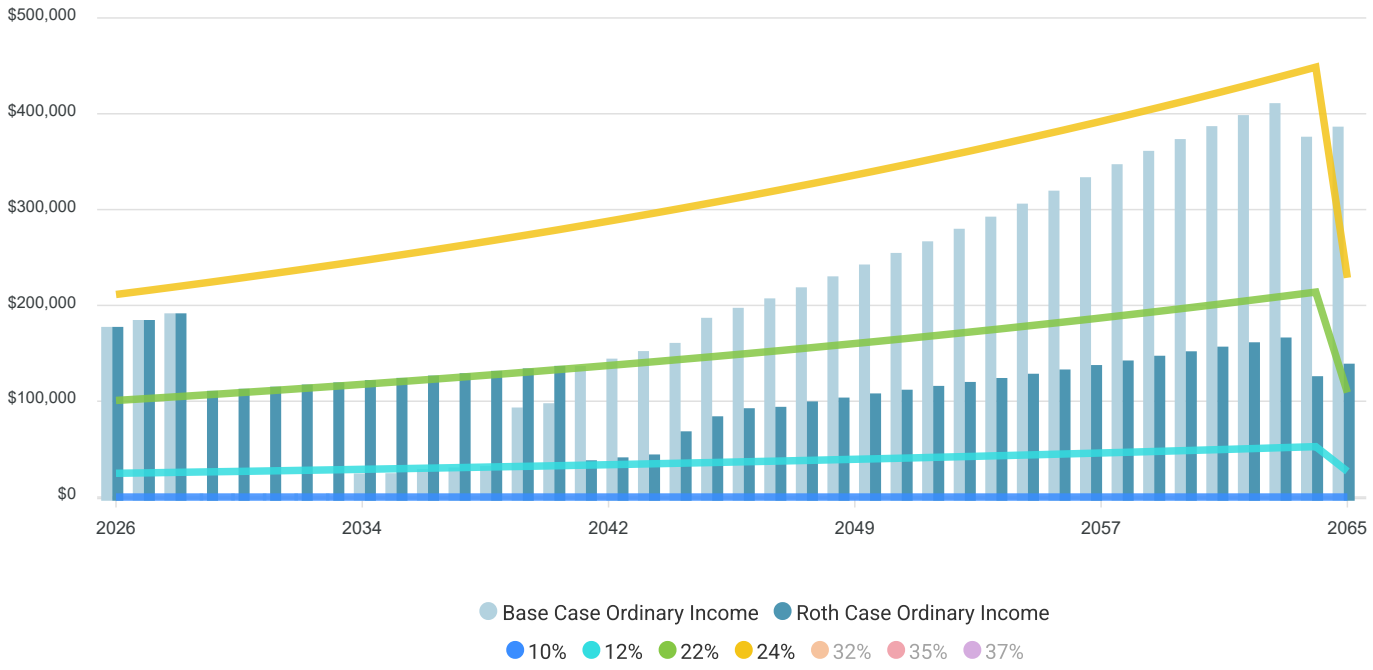
holistiplan

The Joy of Rothing

Max Out the 12% Bracket

Tax Bracket Visualizer

Below is a projection of taxable ordinary income each year, with and without roth conversions, with the tax bracket thresholds overlaid.



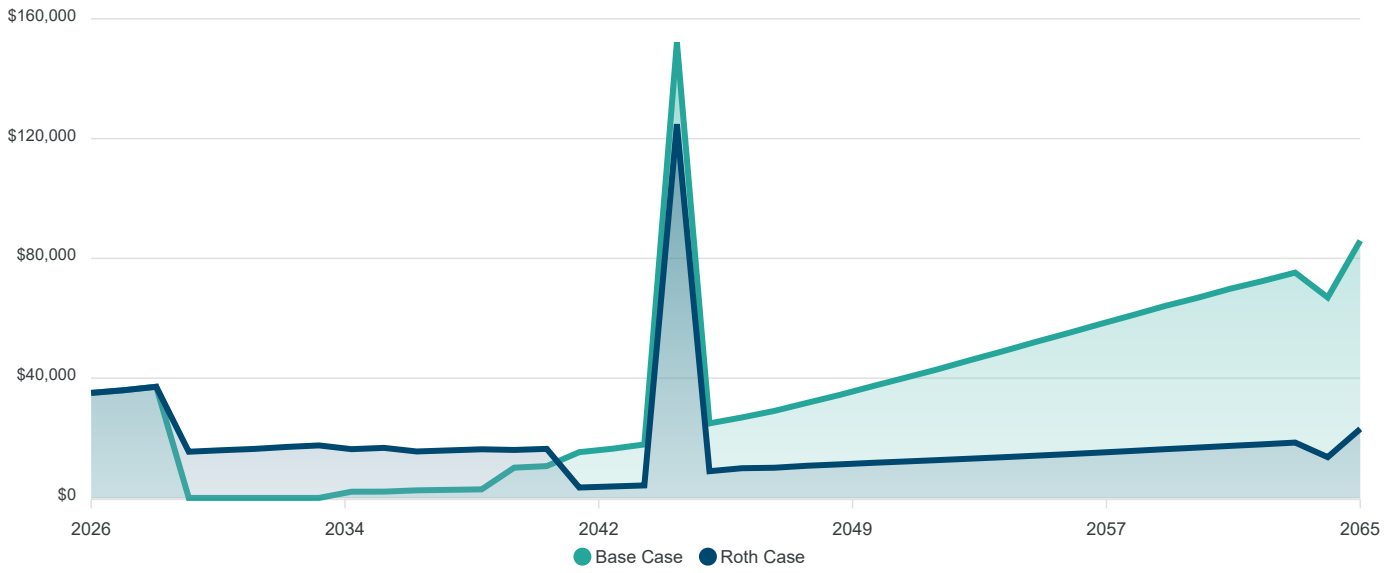
Projected Taxes

Base Projection Total Lifetime Tax (Present Value): $435,359

Roth Projection Total Lifetime Tax (Present Value): $344,375

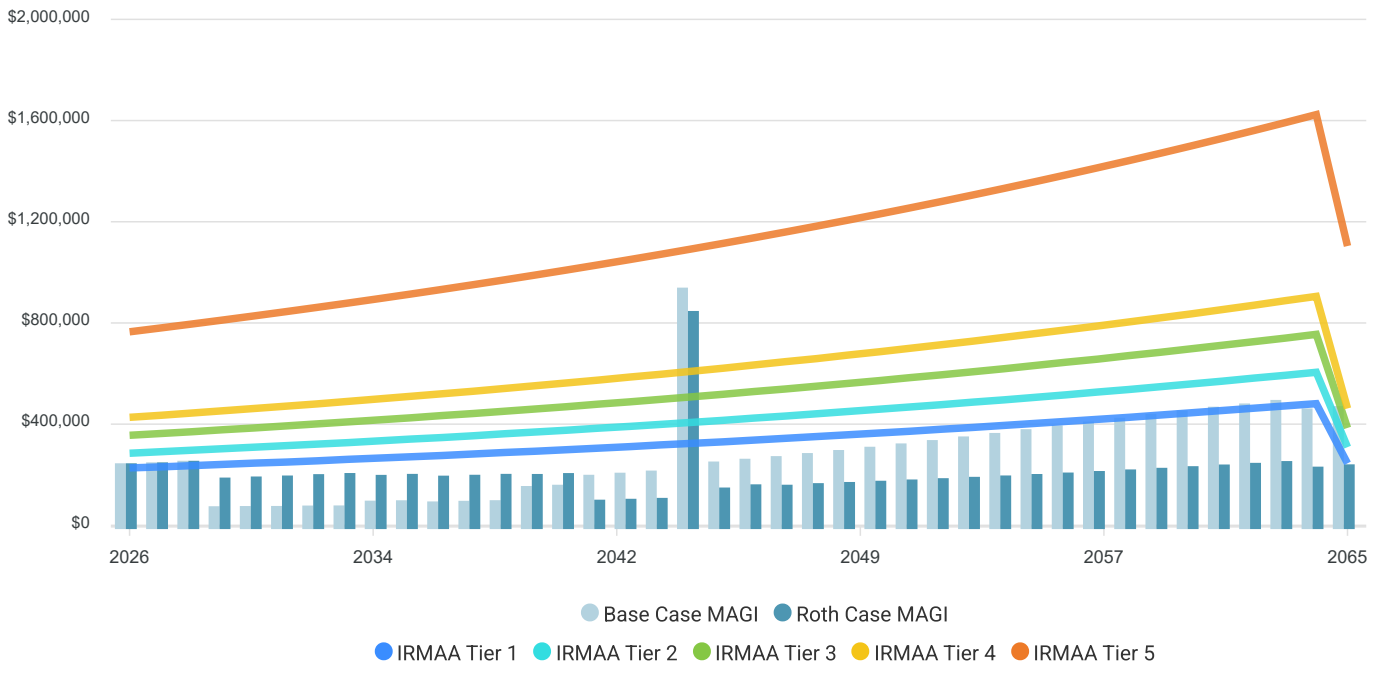
Projection Difference (Present Value): $90,983

Below is a projection of the annual taxes you could pay each year with and without a Roth conversion plan.



IRMAA Tier Visualizer

Below is a projection of the annual MAGI amounts used to determine IRMAA, with the IRMAA tier thresholds overlaid for both the Base and Roth Conversion cases.



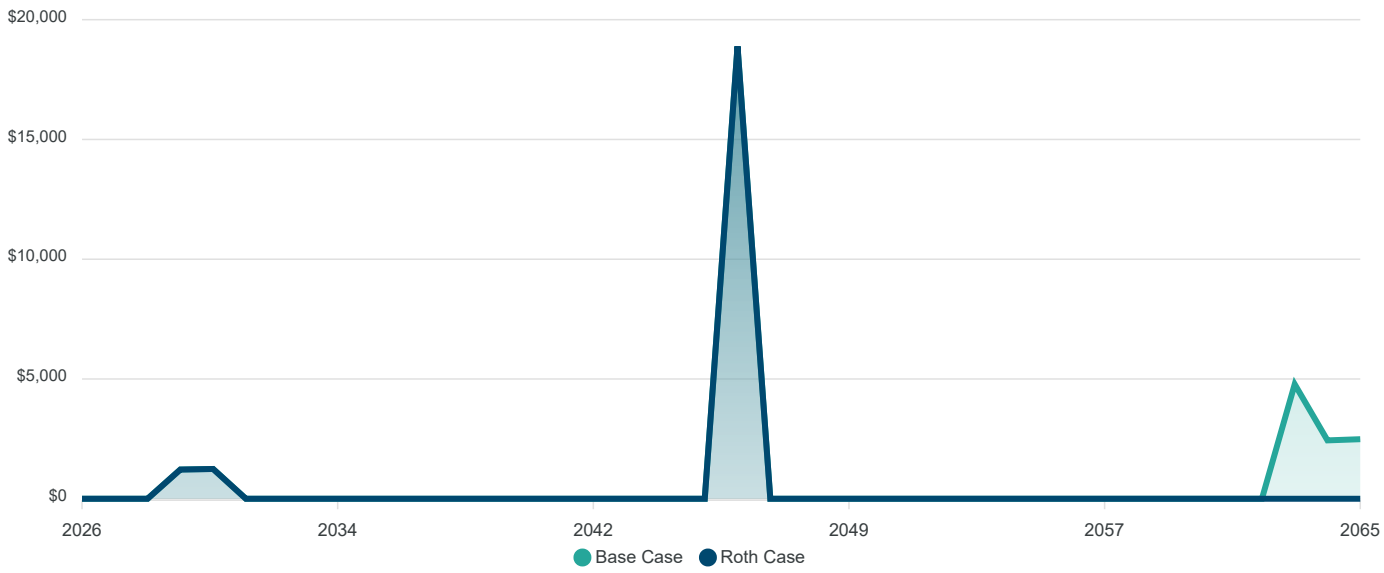
IRMAA Surcharges

Base Projection Total Lifetime IRMAA Surcharges (Present Value): $10,222

Roth Projection Total Lifetime IRMAA Surcharges (Present Value): $8,757

Projection Difference (Present Value): $1,465

Below is a projection of the amount of IRMAA surcharges on Part B and Part D you could pay each year with and without a Roth conversion plan.



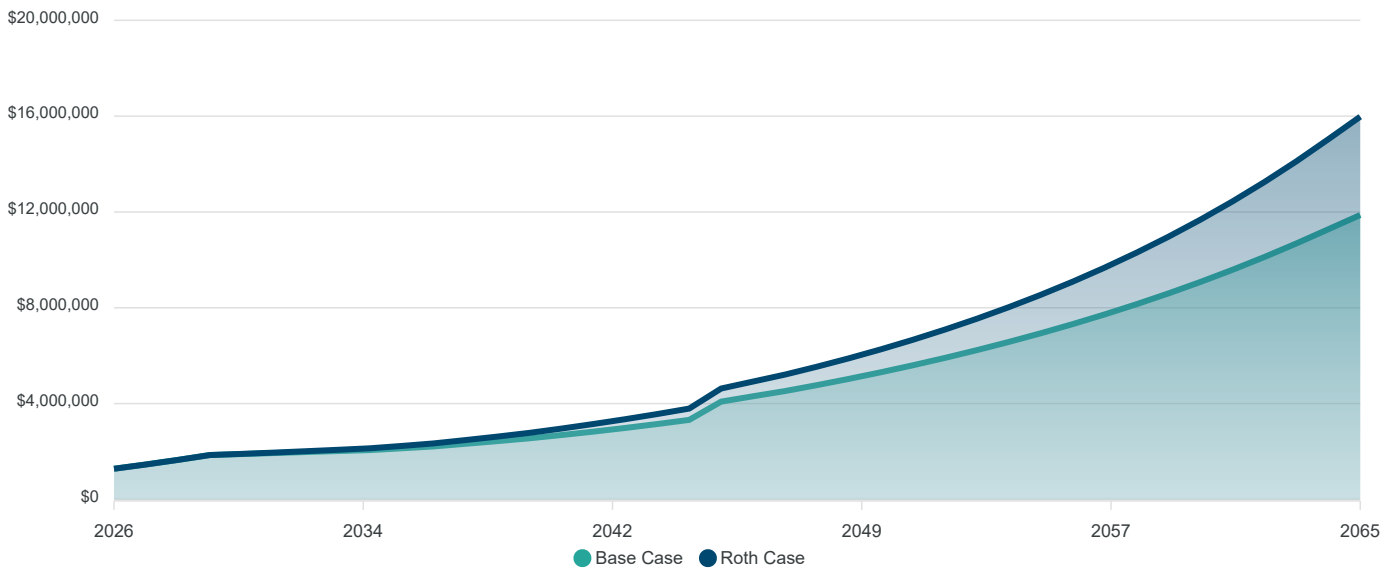
Portfolio Value

Base Projection Ending Portfolio Value: $11,872,315

Roth Projection Ending Portfolio Value: $15,978,181

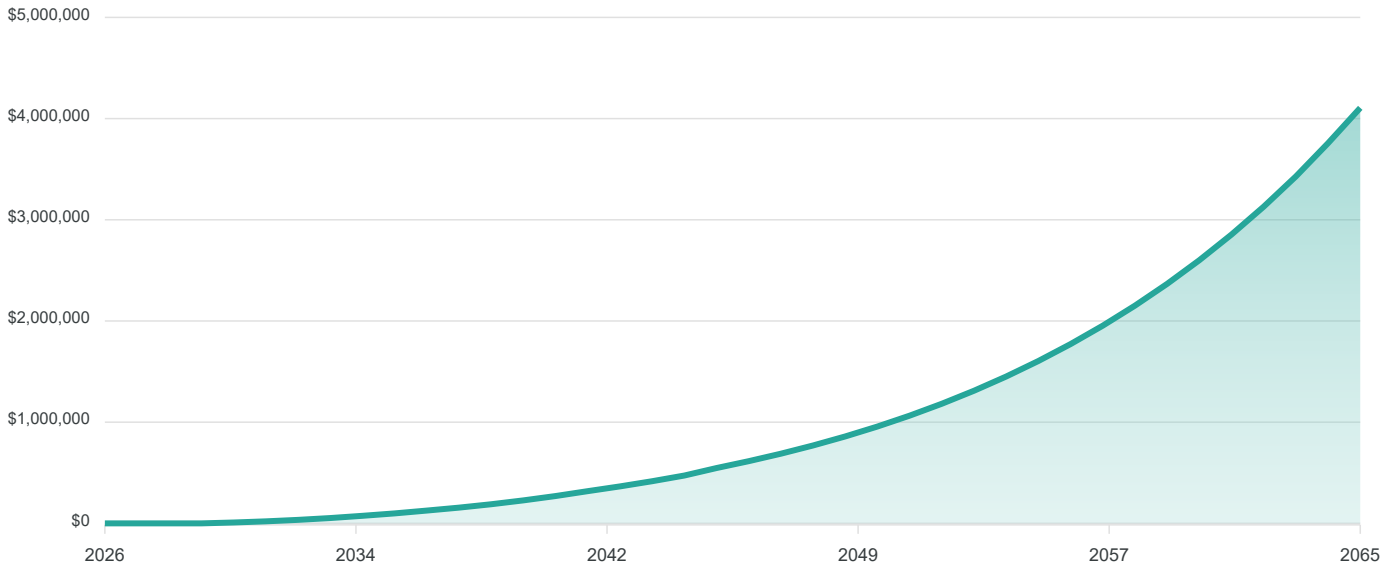
Projection Difference: $4,105,867

Below is a projection of how your portfolio could behave in the long run, with and without a Roth conversion plan. The projection takes into account rates of return, your age, your spending, and expected market rates like investment returns and inflation.



Portfolio Value Difference

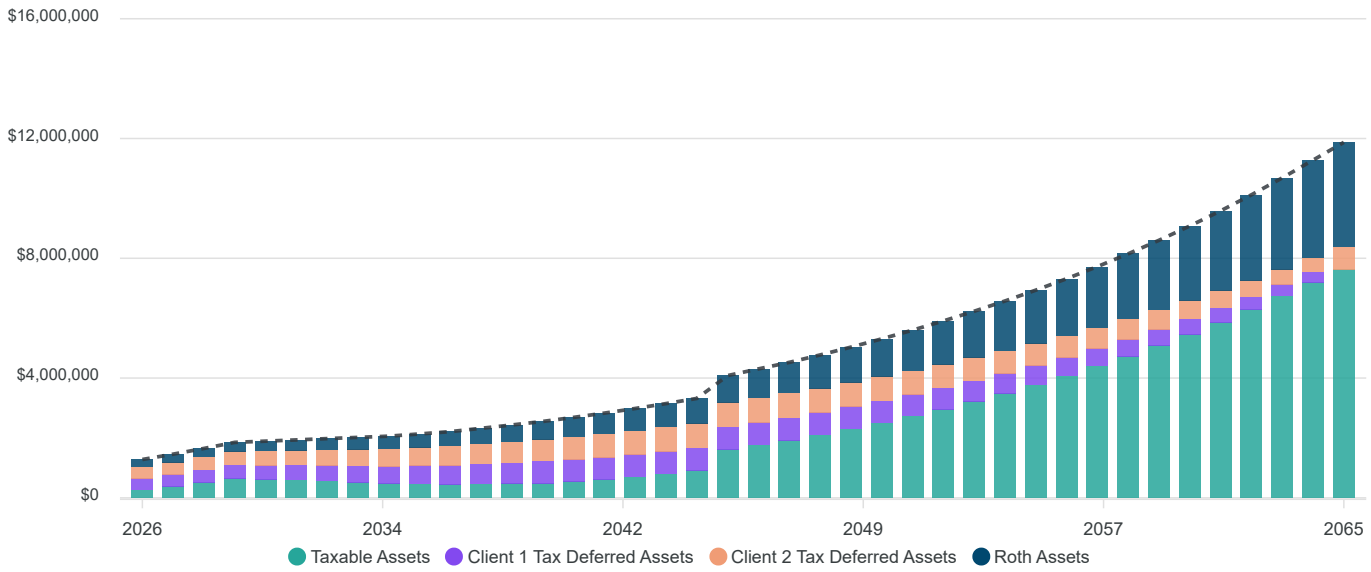
Below is the projected portfolio difference over time, with and without a Roth conversion plan. (Positive values reflect times when the Roth conversion projection is greater. Negative values reflect when the base case with no Roth conversion is greater.)



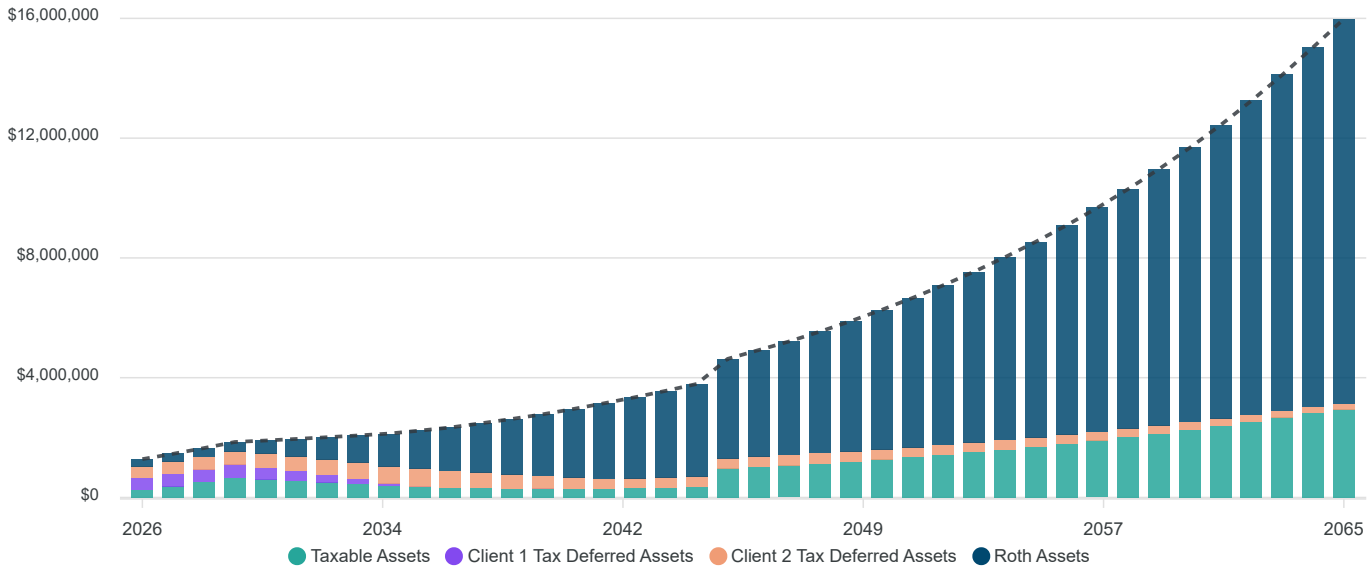
Portfolio Value by Asset Type

Below is a projection of how your portfolio, broken down by asset type, could behave in the long run, with and without a Roth conversion plan. The projection takes into account rates of return, your age, your spending, and expected market rates like investment returns and inflation.

Base Case

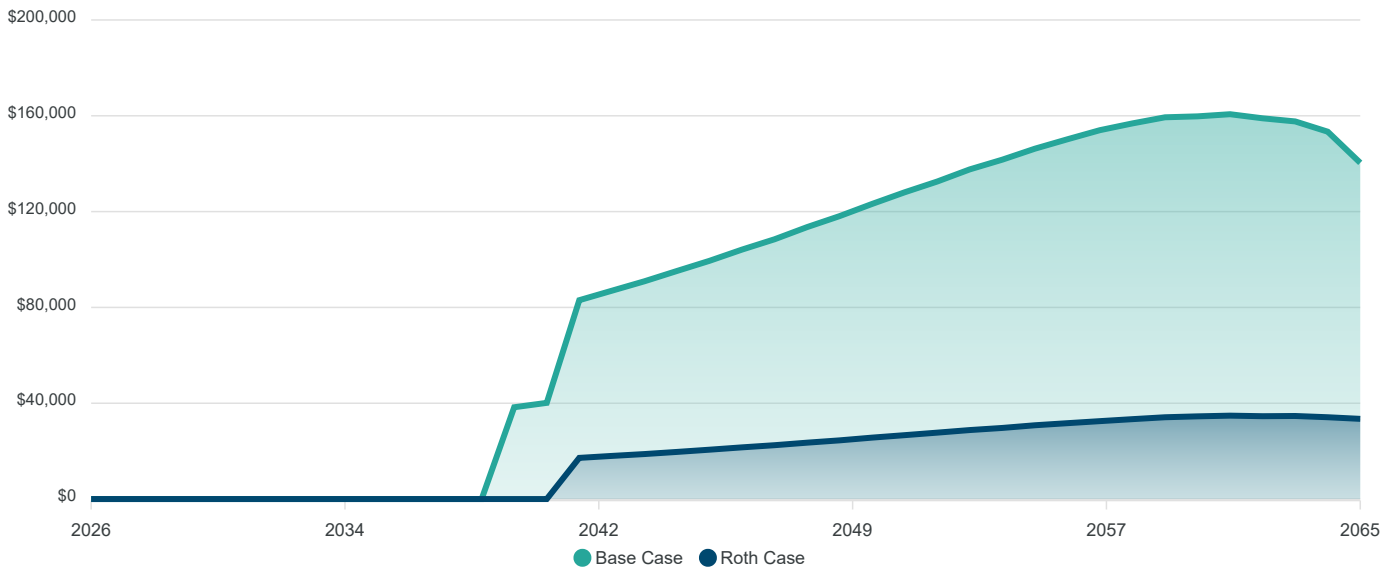


Roth Case



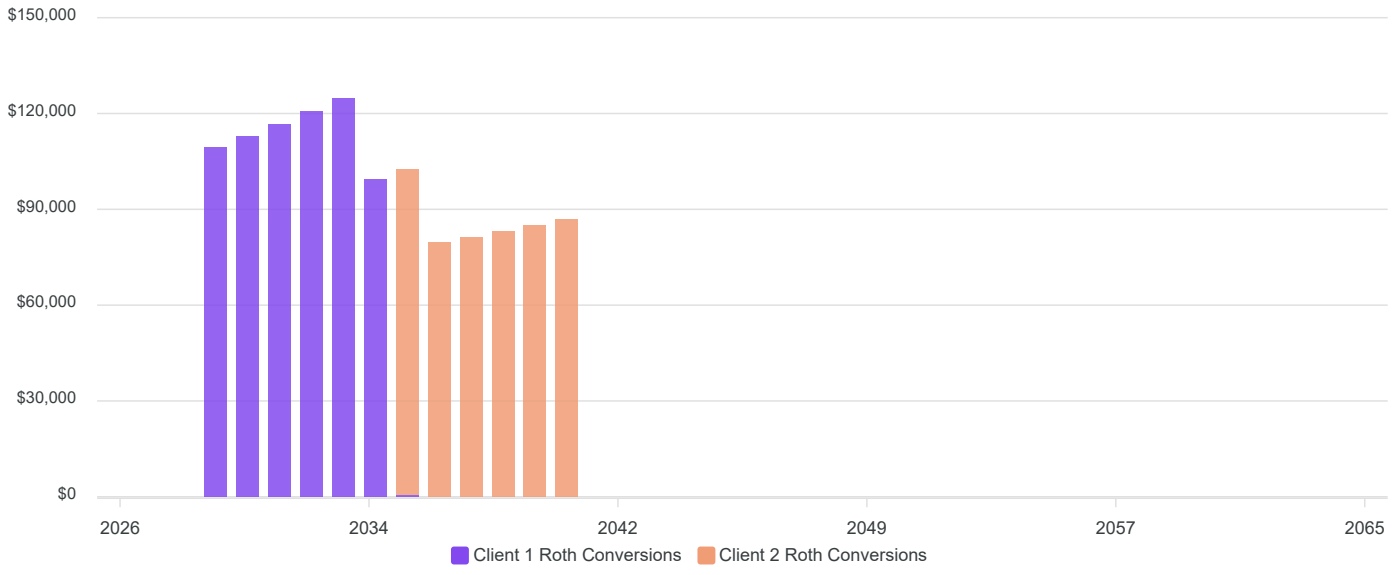
Required Minimum Distributions

Below are the projected Required Minimum Distribution (RMD) amounts per year. One advantage of a Roth account is that it has no RMDs.



Roth Conversions by Year

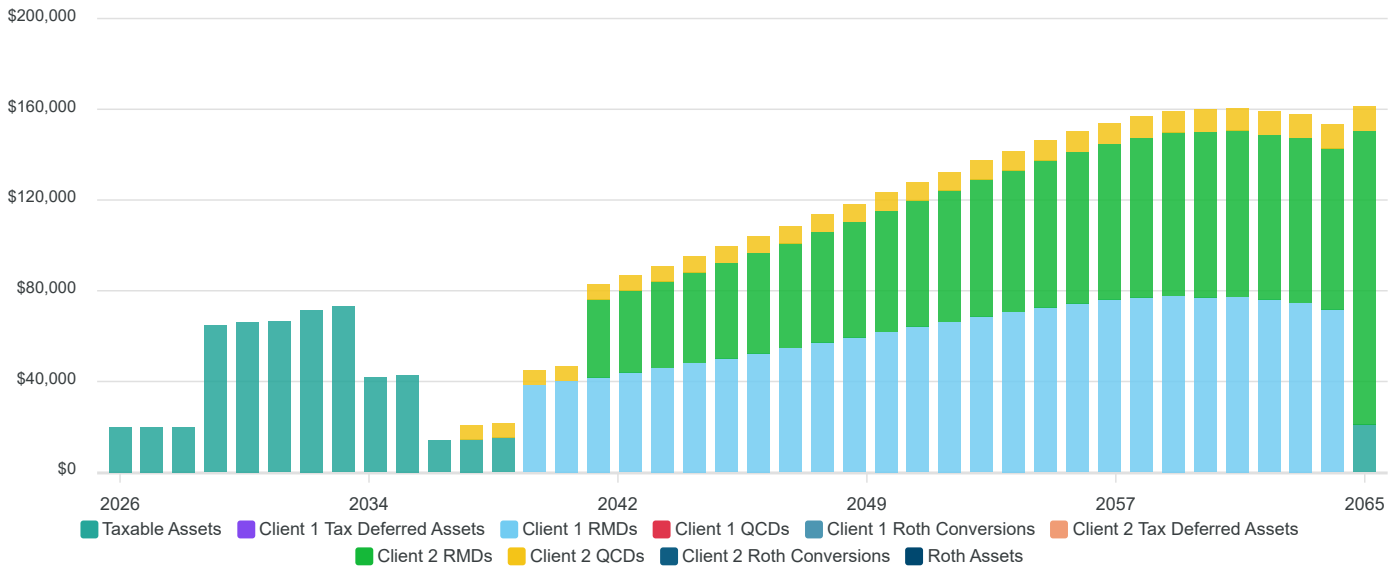
Below is a projection of the Roth conversion amounts planned for each year.



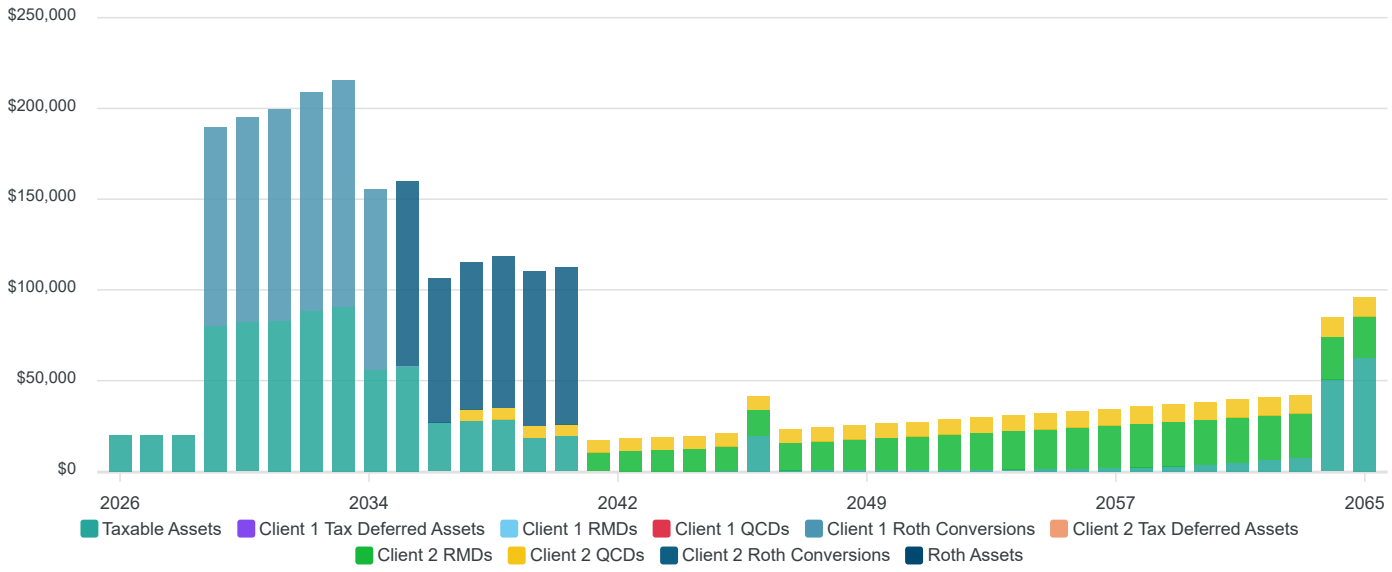
Distributions by Account Type

Below is a projection of portfolio withdrawals by account type each year.

Base Case



Roth Case



Assumptions

Taxable Assets:	$250,000	Roth Conversions:	$1,202,350	Taxable Assets Rate of Return:	6.00%
Tax-Deferred Assets:	$1,000,000	Tax on Conversion:	$158,905	Tax-Deferred Assets Rate of Return:	5.00%
Total Roth Assets:	$250,000	Tax Adjustment	22.00%	Roth Assets Rate of Return:	7.00%
				Inflation:	2.00%

Disclaimer

This report is for illustration purposes and the information herein may not represent data or information that is complete and/or accurate. Please consult with your financial advisor and/or tax advisor prior to using the information included in this report to make any decisions related to your financial situation.