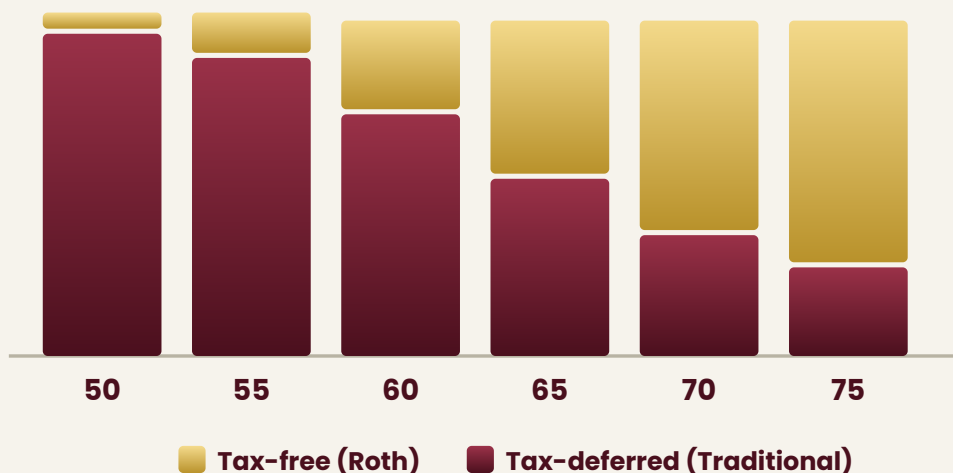


FROM THE AUTHOR OF *The Wealth Pivot* & *The Protected Pivot*

The Tax-Free Pivot

Your Plain-English Playbook for Roth Conversions, Ages 50 to 75



The single most consequential tax-planning window for most people

Pay the toll when it's cheapest

SUBA NARLA

Founder, Wealth Strategies USA

THE TAX-FREE PIVOT

**The single most consequential tax-planning window for
most people**

*Your Plain-English Playbook for Roth Conversions, Ages
50 to 75*

by

Suba Narla

Wealth Strategies USA

*From the author of The Wealth Pivot, The Protected Pivot, The Private Bank
Pivot, The Living Benefits Pivot and The Worry-Free Retirement Pivot*

The Tax-Free Pivot

Your Plain-English Playbook for Roth Conversions, Ages 50 to 75

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First Edition.

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DEDICATION

*To my wife of more than forty years — my constant, in
everything.*

*To our two daughters, whose dedication carried them through
Harvard and Stanford Medical Schools, and whose work makes
us endlessly proud.*

*And above all, to our two grandchildren, who bring us more joy
than we knew a life could hold.*

BEFORE YOU BEGIN

A Note Before You Begin

This guide is written for general education, not personalized financial, tax, or legal advice. Every client's situation is different, tax law changes constantly, and the strategies here need to be run through your own numbers before you act on them. Please work with a qualified CPA or financial advisor before making any conversion decisions. All case studies in this book are illustrative composites built to show how the math works — they are not real clients, and any resemblance to an actual person is coincidental. Dollar figures, brackets, and thresholds are approximate 2026 illustrations; always confirm current-year numbers with the IRS or your advisor.

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INTRODUCTION

Why This Book Exists

Here's something nobody puts in a brochure: the government is a silent partner in every Traditional IRA and 401(k) you own, and it hasn't told you yet, what its cut will be. Money in those accounts is tax-deferred, not tax-free — you owe on it eventually, you just don't know the rate, because tomorrow's tax law hasn't been written. A Roth conversion is how you buy out that silent partner today, at a price you can see on paper, instead of leaving an open bar tab for your future self, or worse, for your kids.

“Uncle Sam is a silent partner in nearly all of it, and he owns an undetermined share of every pre-tax dollar you have saved.”

— Suba Narla, *The Wealth Pivot*

This book is about the 25-year stretch between age 50 and 75 — probably the single most consequential tax-planning window most people will ever have. It is not a “do one big conversion and move on” strategy. It's a multi-year decision tree, and the right move at 52 can be the wrong move at 68. Your income changes. Your tax bracket changes. Medicare shows up. Social Security shows up. Required Minimum Distributions show up whether you're ready or not. Each chapter of this book covers one phase of that window, because math is genuinely different at each stage.

Quick refresher in plain English: a Traditional IRA or 401(k) gets funded with pre-tax dollars, grows tax-deferred, and gets taxed as ordinary income when you pull it out. A Roth IRA gets funded with after-tax dollars (you pay the tax bill up front, on the conversion), grows completely tax-free, and comes out tax-free — no matter how large the balance has grown, and with no RMDs for the original owner. A conversion is simply moving money from the first bucket to the second and paying the toll on the way across the bridge. The entire game is picking the years when the toll is cheapest.

Think of this book as a map of that bridge, broken into the phases most people actually live through.

Age Band	What You're Doing	What You're Watching For
50–59	Maxing out peak-earning years; opening the runway for decades of tax-free growth.	Getting greedy and shoving yourself into a much higher bracket.
60–64	Living in the "golden valley" between paychecks stopping and benefits starting.	Letting cheap tax brackets go to waste.

Age Band	What You're Doing	What You're Watching For
65–69	Threading the needle around Medicare and Social Security taxation.	IRMAA surcharges and the Social Security tax torpedo.
70–75	Defusing forced distributions and setting up a clean inheritance.	The first-dollar RMD rule and the SECURE Act's 10-year clock.

One more thing before we dive in: this book is organized by age band because that's how the tax code treats you — differently, depending on where you sit in that 25-year window. But nothing here is a substitute for running your actual numbers with a professional. Consider this the "why" and the "how it generally works." Your CPA supplies the "exactly how much this year, for you."

"In practice, the discipline forks sharply as liquid assets grow, and the tax code is not a footnote to the plan. It is the plan."

— Suba Narla, *The Wealth Pivot*

Why does the government care so much about which bucket your money sits in? Because a Traditional account is a deferred tax liability sitting on the government's books, and every year that liability sits there, it's an open question how big the

eventual bill will be. Tax rates today are, by most measures, historically moderate — the top bracket has been considerably higher for long stretches of the last century. Whether rates rise, fall, or hold steady over the next 25 years is genuinely unknowable. What is knowable is your bracket right now, this year, on paper. A conversion lets you trade an unknown future rate for a known present one, whenever that trade looks favorable.

It's also worth being honest about what this book won't do. It won't tell you that converting is always right — sometimes the math says leave the money alone, especially if you expect a lower bracket in retirement than you're in today, or if you'll need the converted cash again soon enough that the tax bill outweighs the benefit. What it will do is give you a framework for asking the right question in the right year, instead of treating a Roth conversion as a single yes-or-no decision you make once and never revisit.

One last framing point before Chapter 1: this book uses the word "strategy" a lot, but none of these are aggressive or exotic maneuvers. Every technique described here — filling a bracket, satisfying a five-year clock, watching an IRMAA threshold, sequencing an RMD — is entirely within the ordinary rules Congress has written in the tax code. There's no gray area, no audit risk from being clever, no fine print being exploited. This is simply what it looks like to pay attention to a set of rules that most people never look at closely enough to use to their advantage.

CHAPTER 1**Ages 50–59: The Peak-Earnings Pivot**

Your fifties are usually your highest-earning decade — which is exactly why most people assume it's the worst time to convert anything. You're already paying the government more than you'd like; why volunteer for more? That instinct is understandable, and it's also often wrong. Skipping conversions entirely during this decade is one of the most common structural errors we see, because the thing your fifties actually offer isn't a low tax bracket — it's time. And time is the one ingredient a Roth conversion can't do without.

The Decade in One Number: 20–30 years

of tax-free compounding available to a dollar converted at age 52 — more runway than any other age band in this book offers.

The Peak-Earnings Paradox

Here's the paradox: you're at your peak salary, your peak bonus, maybe running a business at its peak revenue — and any dollar you convert gets stacked right on top of all of that as ordinary income. It feels counterintuitive to convert while you're already in the 32% or 35% bracket. And for a huge, all-at-once conversion, that instinct is correct — don't do that.

“True tax flexibility requires money in all three buckets. A household entering retirement with \$2 million sitting entirely inside a traditional 401(k) has zero flexibility — it is completely at the mercy of future tax-rate increases and legislative shifts, with no lower-taxed dollars to draw on in a high-income year.”

— Suba Narla, *The Wealth Pivot*

But a full-decade blackout on conversions is a different mistake. The goal in your fifties isn't to convert everything. It's to convert strategically, in bites small enough that they don't blow through the next bracket line, while still getting the clock started and the compounding runway open. Small, deliberate moves now beat a panicked, oversized conversion later.

There's also a behavioral trap hiding in the paradox: because the tax bill on a conversion is immediate and visible, while the benefit is deferred and invisible, people naturally weigh the cost more heavily than the payoff. A \$10,000 tax bill this April feels real. Thirty years of tax-free growth on that converted balance doesn't feel like anything yet — it's just a number on a spreadsheet. Recognizing that bias is half the battle in your fifties, when the instinct to avoid any extra tax bill is at its strongest.

Your Money's Longest Runway

Here's the number that should get your attention: a dollar converted at 52 has roughly two to three decades to compound completely shielded from tax — no capital gains, no dividend

tax, nothing, ever again, if it stays in the Roth. Compare that to converting the same dollar at 68, where it might have ten or fifteen years to compound before you or your heirs need it.

Run the math over 25 years and something interesting happens: the up-front cost of converting to a higher bracket in your fifties is frequently outweighed by the sheer duration of tax-free compounding. This is the single most underappreciated argument for starting early — not because your bracket is favorable (it usually isn't), but because your timeline is.

This matters even more if the converted assets are invested aggressively. A conversion followed by decades of equity growth means a disproportionate share of the account's eventual value is investment gains, not principal — and every dollar of those gains escapes tax entirely inside a Roth. The earlier the conversion happens relative to the growth, the larger the share of the final balance that's permanently tax-free.

“The single best hedge against unknown future tax rates is having money in buckets the IRS has already finished taxing. Roth IRAs, Roth 401(k)s, and properly designed IUL policies are those buckets.”

— Suba Narla, *The Worry-Free Retirement Pivot*

Starting the Clock Early — The Five-Year Rule

There's a statutory wrinkle that makes early action even more valuable: the IRS five-year rule. Each Roth IRA has a five-tax-year holding period that has to be satisfied before you can withdraw the account's earnings tax-free (separate from your

ability to withdraw your original contributions or converted principal). The clock starts on January 1 of the year of your first Roth contribution or conversion — not the date of that specific transaction.

That means if you do even a small "seed" conversion at 52 or 55, you've started the five-year clock more than a decade before you'll likely need to touch the money in retirement. By the time you actually need liquidity, the clock is a non-issue. Wait until 63 to do your first-ever conversion, and suddenly the five-year rule is something you actually have to plan around.

A related wrinkle worth knowing: each individual conversion has its own five-year clock for penalty purposes if you're under 59½ and need to access converted principal early, even though the account-level five-year clock for earnings only needs to be satisfied once. In practice, this mostly matters for people who might need to tap converted funds ahead of schedule — one more reason a seed conversion done early removes a layer of complexity later.

Deeper Dive: Modeling Your Own Bracket Ceiling

A practical way to find your own comfort line is to pull your most recent tax return and locate your top marginal bracket. Then check how much taxable income sits between your current total and the next bracket threshold — that gap is your rough "headroom" for a seed conversion this year without crossing into a more expensive bracket. It's a five-minute exercise, and it turns an abstract "convert a little" instruction into an actual dollar figure specific to your own return.

Redo this exercise every year, not just once. Bonus income, a raise, a spouse's changing employment, or a one-time capital gain can all shrink or expand that headroom from one year to the next, which is exactly why the multi-year mindset introduced in this chapter carries through every phase of this book.

Quick Actions

- Do a "seed conversion" now, even a modest one, purely to start your five-year statutory clock.
- Keep each year's conversion small enough that it doesn't push you from one bracket into the next (24% into 32% is the classic line to watch).
- Pair conversions with catch-up contributions to tax-deferred accounts (age 50+) to offset some of the added income.
- Revisit the plan every year — a bonus year, a business sale, or a job change can all shift how much room you have to convert.

Case Studies

CASE EXAMPLE 1 — CHAPTER 1

Chris, 54 — The Seed Conversion Play

Chris is a self-employed marketing consultant earning around \$310,000 a year, comfortably in the 32% federal bracket. A big conversion would be expensive and would push her into the 35% bracket — not worth it this year. Instead, her advisor modeled a small \$15,000 conversion, sized to stay well clear of the next bracket threshold.

The point wasn't to move a lot of money. It was to start her Roth's five-year clock at 54 instead of at 63 or 64, when she plans to actually slow down. By the time Priya retires, the five-year rule will be a distant memory rather than an active constraint, and she'll have a Roth account structurally ready to receive much larger conversions during her lower-income years in her sixties.

CASE EXAMPLE 2 — CHAPTER 1**Mark and Linda, 57 — Catch-Up Contributions
Offsetting a Conversion**

Mark and Linda are both 57, both working, and both eligible for age-50-plus catch-up contributions to their 401(k)s — an extra \$7,500 each on top of the standard limit in 2026. By maxing those catch-up contributions, they reduced their combined AGI by \$15,000.

That reduction created breathing room under their bracket ceiling, which they used to convert \$40,000 from a rollover IRA without tripping into the next tax bracket. The catch-up contributions and the conversion worked in opposite directions on the same page of their tax return — one shrinking taxable income, the other adding it back in a controlled, measured amount — netting out to a conversion that cost them meaningfully less than it would have without the offset.

CASE EXAMPLE 3 — CHAPTER 1**Nadia, 51 — The Bonus-Year Pause**

Nadia had been converting a steady \$20,000 a year since turning 50, as part of a disciplined multi-year plan. In her fifty-first year, her company paid out an unusually large retention bonus that alone pushed her taxable income up by six figures. Rather than mechanically sticking to the same conversion amount, her advisor recommended pausing conversions entirely for that one year.

The lesson cuts against the instinct to treat a conversion plan as something you set once and run on autopilot. Nadia's plan wasn't abandoned — it flexed for a single year in response to a real change in circumstances, then resumed the following year once her income returned to its normal range. A good plan responds to the year you're having, not the year you originally projected on a spreadsheet three years ago.

CHAPTER 2

Ages 60–64: The Golden Window

If your fifties are about opening the runway, your early sixties are about actually using it. This five-year window — after the paycheck stops but before Social Security and RMDs start — is, for most people, the single most powerful conversion opportunity they will ever get. It's temporary, it's easy to miss, and it does not wait for you to notice it.

The Window in One Number: ≈5 years

the typical length of the low-income valley between retirement and the start of RMDs — and it never lasts as long as people expect.

The Low-Income Valley

For a lot of people, W-2 or K-1 income stops somewhere between 60 and 65. Social Security hasn't started (most people don't claim before 62, and plenty wait until 67 or 70 to maximize the benefit). RMDs haven't started either — those don't kick in until your early seventies. What's left in the middle is an artificially engineered low-income valley, and it usually only lasts a handful of years.

“The years between your last paycheck and your first RMD are often the lowest tax-bracket years of your entire life.”

— Suba Narla, *The Wealth Pivot*

In this valley, your taxable income might drop to near zero or be limited to modest dividends and interest. That's not a problem to solve — it's an opportunity to exploit. Every year you let that valley sit unused is a year of cheap tax brackets you'll never get back.

It's worth naming the valley explicitly, because most people don't notice they're standing in it until it's half over. There's no calendar reminder that says, "your income is unusually low this year." It just quietly happens, often while people are focused on adjusting to retirement itself — a new daily routine, healthcare shopping, maybe a move. The tax opportunity can slip by entirely unless someone is actively watching for it.

Filling Your Buckets, Not Overflowing Them

Picture your tax brackets as a series of buckets: 10%, 12%, 22%, and so on, each one holding a fixed amount of income before it overflows into the next. In your low-income valley, your bottom buckets are sitting mostly empty. The strategy here is to convert just enough Traditional IRA money each year to fill up the cheap buckets — 10%, 12%, maybe 22% — without spilling over into the next one.

Done consistently over four or five years, this steadily drains your Traditional balance at a discount instead of letting the IRS force the issue later at full price, during your RMD years, at a rate you don't get to choose.

The bucket-filling approach also has a quieter benefit: it smooths your lifetime tax bill instead of concentrating it. Rather than one enormous taxable event decades from now (a forced RMD year, or worse, a large inherited-account distribution for

your heirs), you're spreading the tax cost across several moderate, predictable years — each one sized to a bracket you chose on purpose.

“The on-deck money can't lose value to a market decline, it continues to earn index-linked interest in good years, and the conversion schedule can proceed exactly as planned.”

— Suba Narla, *The Protected Pivot*

The Break-Even Tax Rate Rule

How do you know when to stop filling a bucket? Use the Break-Even Tax Rate, or BETR: convert up to the point where your current conversion tax rate equals — or beats — your projected future tax rate once RMDs, Social Security, and everything else layers on top.

If your rate today is lower than your projected rate down the road, converting is close to a mathematically guaranteed win. If today's rate is already higher than your projected future rate, you're better off leaving that portion where it is. The BETR rule turns a vague "should I convert?" question into an actual, year-by-year comparison you can run.

Projecting that future rate requires estimating your RMDs (based on your current balance and growth assumptions), your expected Social Security benefit, and any pension or other fixed income — then stacking them together to see what bracket they land you in once they all show up at once. It's a bit of arithmetic, but it turns the decision from a guess into a calculation.

Deeper Dive: What If the Valley Is Shorter Than Expected?

Not everyone gets a clean five-year valley. A pension that starts at 62, part-time consulting income, or an early Social Security claim can all shorten the window or reduce its depth. That doesn't eliminate the opportunity — it just means the bucket-filling math needs to account for whatever other income is already present, rather than assuming a completely blank slate.

The core discipline stays the same regardless of how deep the valley is: identify how much room exists below your target bracket ceiling in a given year, and convert up to that line — no more, no less. A shallower valley just means smaller conversions each year, not that the strategy stops applying.

“If you live on tax-free policy loans in your early sixties, your taxable income can stay low, leaving room in the 12%, 22%, or 24% brackets to convert Traditional IRA dollars to Roth at a known, modest tax cost. The policy carries the spending; the IRA carries the conversions.”

— Suba Narla, *The Private Bank Pivot*

Quick Actions

- Build a simple multi-year income spreadsheet covering just the years between retirement and age 70.
- Convert deliberately up to the top of a target bracket each year — not a penny more.
- Aim to meaningfully shrink your Traditional balance before RMDs and Social Security complicate the picture.

- Re-run your BETR comparison annually — projected future income (and tax law) can shift the right stopping point.

Case Studies

CASE EXAMPLE 1 — CHAPTER 2

James, 61 — Five Years of Bracket-Filling

James retired from engineering at 60 with a \$900,000 Traditional 401(k) rolled into an IRA. With no salary and Social Security deferred until 67, his taxable income dropped to almost nothing. Working with his advisor, he set a five-year plan: convert enough each year to fill the 12% bracket completely and dip partway into the 22% bracket but never touch the 24% line.

Over five years, James converted roughly \$340,000 at an average effective rate in the mid-teens — a rate he is highly unlikely to see again once RMDs and Social Security are both active. By 66, his Traditional balance was a fraction of its original size, and his future RMDs will be correspondingly smaller and far less disruptive to his tax picture.

CASE EXAMPLE 2 — CHAPTER 2**Renee, 63 — The Business Sale That Opened a Window**

Renee sold her veterinary practice at 62 for a lump sum, took a year off, and by 63 was living off savings and part-time consulting income. Her taxable income that year was unusually low — well under six figures — even though her net worth had just jumped substantially.

Her advisor flagged the mismatch: high net worth, temporarily low taxable income. Renee used that one golden year to convert \$150,000, filling her 22% bracket completely. It was a one-time window rather than a five-year plan, but it illustrates the same principle — a low-income year, whatever creates it, is a conversion opportunity that shouldn't sit unused.

CASE EXAMPLE 3 — CHAPTER 2**Oscar, 64 — Filling Brackets with Rental Income in the Mix**

Oscar retired at 62 but still collected modest rental income from two properties — enough that his taxable income is well below his working-years' level. His advisor built a projection that accounted for the rental income alongside his Traditional IRA balance, and found he still had room to fill the 22% bracket, just with a smaller conversion amount than a fully retired person with no other income would have.

Oscar's case is a reminder that the low-income valley isn't all-or-nothing — even retirees with some ongoing income can usually find real room to convert. The size of the opportunity varies with the details, but the underlying window rarely disappears completely.

CHAPTER 3

Ages 65–69: The Medicare & Social Security Crunch

Turning 65 changes the rules of the game. Medicare enters the picture, and with it comes a premium structure that behaves nothing like the income tax brackets you're used to. At the same time, Social Security income can start interacting with your conversions in ways that quietly spike your real marginal tax rate. This is the phase where precision matters more than ambition.

The Crunch in One Number: 40.7%

the effective marginal rate the Social Security tax torpedo can create on certain income slices — often far above a retiree's nominal bracket.

The Math: Every \$1.00 withdrawn effectively adds **\$1.85** to your total taxable income (\$1.00 withdrawal + \$0.85 SS benefit). In the **22% tax bracket**, taxing \$1.85 of income results in a \$0.407 tax increase on a \$1.00 withdrawal—creating an effective marginal rate of **40.7%**.

The IRMAA Cliff

IRMAA — the Income-Related Monthly Adjustment Amount — is a surcharge on Medicare Part B and Part D premiums for higher-income retirees. The part that trips people up is that it's a cliff, not a slope. Federal income tax brackets are progressive: cross into a higher bracket and only the income above that line

gets taxed at a higher rate. IRMAA doesn't work that way. Cross a threshold by even one dollar, and your entire premium — for both you and your spouse, if you file jointly — jumps to the next tier.

“Medicare premiums are not flat. They are a strict, cliff-edged tax on income you may have earned two years before the bill arrives.”

— Suba Narla, *The Wealth Pivot*

That single-dollar cliff is what makes IRMAA genuinely dangerous for anyone doing a large, un-modeled conversion in their mid-to-late sixties. A conversion that looks smart on an income-tax basis can be a bad trade once you price in a year (or two) of elevated Medicare premiums.

There isn't just one cliff, either — IRMAA is structured as a series of tiers, each with its own threshold and its own surcharge step. A conversion that only clears the first tier by a small margin might still be fine; one that's large enough to clear two or three tiers at once can mean a materially larger premium jump than people expect. Knowing exactly which tier a given conversion size lands you in, not just whether you cross the first line, is part of doing this correctly.

The Two-Year Lookback Trap

IRMAA isn't based on this year's income — it's based on your tax return from two years prior. That lag is easy to forget and expensive when you do. A conversion at 63 or 64 can silently

spike your Medicare premiums at 65 and 66, well after the conversion itself is old news.

Practically, that means anyone converting in their early-to-mid sixties needs to be projecting their Modified Adjusted Gross Income (MAGI) two full years ahead, checking it against the current IRMAA thresholds (roughly \$106,000 for single filers and \$212,000 for married couples filing jointly under recent baselines, though these numbers are indexed and should always be confirmed for the current year), and staying deliberately below the line rather than finding out about it after the fact.

There is a narrow escape hatch worth knowing about: Social Security allows an appeal (via Form SSA-44) for certain "life-changing events" — retirement, divorce, the death of a spouse, and a handful of others — that can reset the IRMAA determination off the two-year-old return. A Roth conversion itself is not a qualifying event, so the appeal doesn't undo a conversion-driven surcharge, but it's useful to know the lookback isn't immovable in every circumstance.

"A guaranteed, tax-free paycheck for life does not add to taxable income, does not raise IRMAA surcharges, and does not make Social Security benefits taxable."

— Suba Narla, *The Protected Pivot*

The Social Security Tax Torpedo

Once Social Security benefits start, additional conversion income can trigger what's often nicknamed the "tax torpedo." Here's the

mechanism: as your combined income rises, an increasing share of your Social Security benefit becomes taxable — up to a statutory maximum of 85%. Because that phase-in happens on top of ordinary conversion income, each additional dollar converted can effectively get taxed twice over in the phase-in range: once directly, and once by dragging more of your Social Security into taxability.

The result is a real, effective marginal rate that can spike well above your nominal bracket — sometimes above 40% on certain slices of income, even for people who aren't anywhere near the top federal bracket. Careful staging of conversions around this range is essential; it's easy to convert your way into a rate you never intended to pay.

The torpedo range isn't infinite — once enough income has pushed 85% of Social Security into taxability (the statutory cap), the doubling effect stops, and additional conversion dollars go back to being taxed at your regular marginal rate. Part of the planning exercise is identifying exactly where that range begins and ends for your household, so conversions can be sized to either stay below it or push cleanly through it, rather than getting stuck in the most expensive middle section.

“Social Security benefits can become up to 85% taxable. Roth withdrawals and IUL policy loans don't count toward the income that triggers that tax. Another quiet win for tax-free buckets.”

— Suba Narla, *The Worry-Free Retirement Pivot*

Deeper Dive: Why Age 65 Feels Like a Wall

It's worth naming why this chapter feels so different from Chapters 1 and 2: up to this point, the only thing you were managing was ordinary income tax brackets, a single progressive system with no cliffs. At 65, you're suddenly managing three interacting systems at once — income tax brackets, the IRMAA cliff structure, and the Social Security taxability phase-in — each with its own thresholds and its own lookback timing.

The good news is that all three systems key off the same underlying number, MAGI, which means a single well-built projection can check a conversion against all three at once rather than requiring three separate analyses. The complexity is real, but it's manageable with the right spreadsheet, not a reason to avoid converting during this phase altogether.

Quick Actions

- Project your MAGI two years before converting anything, not just this year's number.
- Know your IRMAA tier thresholds cold and leave a buffer — don't plan to land exactly on the line.
- Model the interaction between conversions and Social Security taxability before pulling the trigger, not after.
- Identify where your household's torpedo range begins and ends, and size conversions to either stay clear of it or push through it deliberately.

Case Studies

CASE EXAMPLE 1 — CHAPTER 3

Carl, 66 — The One-Dollar Mistake

Carl converted \$108,500 at 64, not realizing the single-filer IRMAA threshold at the time sat at \$106,000. He missed it by \$2,500 — a rounding error, in his mind. Two years later, at 66, his Medicare Part B and Part D premiums jumped to the next IRMAA tier for the full year, costing him roughly \$1,000 more than it would have if he'd simply converted \$2,600 less.

The lesson wasn't that Carl converted too much money — \$108,500 was a perfectly reasonable amount for his situation. It's that he converted it without checking the cliff, and the cliff doesn't care how close you came to clearing it.

CASE EXAMPLE 2 — CHAPTER 3**Angela and Tom, 67–68 — Staging Around the Torpedo**

Angela and Tom were both collecting Social Security by 67 and sitting on a large Traditional IRA they wanted to draw down before RMDs began. A straightforward large conversion would have pushed a significant share of their Social Security benefit into taxability, on top of the direct conversion tax — a double hit.

Their advisor instead modeled a staged conversion across three years, sized each year to stay below the range where the torpedo effect accelerated. The total converted was the same as a single lump-sum conversion would have moved but spreading it out kept their effective marginal rate meaningfully lower in every single year.

CASE EXAMPLE 3 — CHAPTER 3**Diane, 65 — The Life-Changing-Event Appeal**

Diane retired at the very end of the year she turned 65, and her IRMAA determination for that year was initially based on a two-year-old tax return from when she was still working full-time and earning considerably more. Rather than accept the higher-tier premium, her advisor helped her file Form SSA-44, citing retirement as a qualifying life-changing event.

The Social Security Administration recalculated her IRMAA tier using her current, post-retirement income estimate instead of the stale return, and her premium dropped to the correct tier for the rest of the year. Diane's case isn't a conversion story — it's a reminder that the two-year lookback has a formal correction mechanism for real changes in circumstances, even though it doesn't apply to conversion-driven income spikes.

CHAPTER 4

Ages 70–75: Late Horizon & RMD Defusal

By your seventies, the runway is shorter and the IRS stops asking politely. Required Minimum Distributions kick in, and if you're carrying a large Traditional balance, those forced withdrawals can dictate your tax bracket whether you like it or not. The strategic objective often shifts here — from personal tax optimization to protecting what your heirs will eventually inherit.

The Late Horizon in One Number: 10 years

The window most non-spouse heirs now have to empty an inherited IRA — a Roth balance makes that decade tax-free instead of tax-expensive.

When the IRS Makes You Take the Money

Under current SECURE Act rules, RMDs generally begin at 73 (moving to 75 for younger cohorts under the phased SECURE 2.0 schedule — confirm your exact starting age based on your birth year). If you're carrying a sizable Traditional balance, these distributions aren't optional and aren't sized to your convenience. They're calculated off your account balance and your life expectancy factor, and they land in your taxable income every single year, like it or not.

“A traditional IRA is not a private vault. The government has a firm deadline.”

— Suba Narla, *The Wealth Pivot*

For people who never drew down their Traditional balances during the low-income years of their sixties, RMDs can act as a permanent income floor — one that pushes them into a higher bracket than they'd otherwise choose, makes more of their Social Security taxable, and can trigger IRMAA surcharges for the rest of their life.

The RMD calculation itself is mechanical: divide your prior year-end account balance by an IRS life-expectancy factor that shrinks each year as you age, which means the required percentage withdrawn increases over time. A balance that was manageable at 73 can generate a noticeably larger required distribution by 80 or 85, simply because the divisor keeps shrinking — even if the account balance itself hasn't grown.

The First-Dollar Rule

There's a hard legal constraint here that catches people off guard: once you're in an RMD-eligible year, you cannot convert any money to a Roth until that year's RMD has been fully satisfied. The IRS treats the first dollars out of a Traditional IRA in an RMD year as automatically going toward the RMD — there's no way to route around it by converting first.

Practically, this means your RMD tax bill and any conversion tax bill land in the same calendar year, stacked on top of each other.

It doesn't make conversions impossible in your seventies — it just makes them more expensive and requires satisfying the RMD first, every single year, before any additional conversion room opens up.

This is exactly why the earlier chapters in this book matter so much: every dollar converted during the fifties and sixties is a dollar that will never generate a mandatory RMD later and never force this stacked-tax-bill problem in the first place. The first-dollar rule is really an argument for front-loading conversions into your lower-income years, not a reason to give up on conversions once you reach your seventies.

“Every dollar converted before RMD age is a dollar that will never generate a forced distribution.”

— Suba Narla, *The Protected Pivot*

The SECURE Act's Ten-Year Trap

The SECURE Act eliminated the old "stretch IRA," which used to let non-spouse beneficiaries draw down an inherited IRA slowly over their own life expectancy. Under current rules, most non-spouse beneficiaries must fully empty an inherited Traditional IRA within 10 years of the original owner's death.

That's a problem for families where adult children inherit a large pre-tax IRA during their own peak earning years. A decade of forced, stacked withdrawals can push a meaningful share of the inheritance into high tax brackets. An inherited Roth IRA is subject to the same 10-year emptying rule, but because the

money comes out tax-free, the 10-year window is just a distribution schedule, not a tax event. Converting late-life balances can shift that entire burden off your heirs' backs.

There's also a timing nuance within the 10-year rule that's easy to miss: depending on whether the original owner had already started RMDs, some heirs are required to take annual distributions throughout the 10-year window rather than being free to wait until year 10 to empty the account. Getting this wrong can mean missed-distribution penalties for an heir who assumed they had full discretion over the timing.

Deeper Dive: Spousal Beneficiaries Play by Different Rules

Everything said about the 10-year rule in this chapter applies to non-spouse beneficiaries — adult children, siblings, friends, most trusts. A surviving spouse has meaningfully more flexibility: they can generally treat an inherited IRA as their own, roll it into their own account, and continue deferring under their own RMD schedule rather than facing the 10-year emptying requirement at all.

That distinction matters when weighing whether to convert late in life. If your primary beneficiary is a spouse, the urgency around the 10-year rule is lower — it only becomes relevant once the account eventually passes to the next generation. If your primary beneficiaries are your children directly, the 10-year clock is a much more immediate consideration.

“When care is paid for from a source that generally does not add to adjusted gross income, your conversion schedule can continue as planned, and your IRA can keep doing the job you gave it.”

— Suba Narla, *The Living Benefits Pivot*

Quick Actions

- Know your exact RMD start age based on your birth year, and don't assume it's still 70½ — the rules changed.
- Always satisfy the current year's RMD in full before attempting any additional conversion.
- Weigh conversions in this phase against the 10-year rule your heirs will face on whatever's left in the account.
- Talk to your heirs about the 10-year distribution rules on what they'll inherit — surprises here are avoidable with a conversation.

Case Studies

CASE EXAMPLE 1 — CHAPTER 4

Eleanor, 72 — A \$2.1 Million Decision

Eleanor, a widow, was sitting on a \$2.1 million Traditional IRA at 72, one year from her first RMD. She'd done almost no conversions during her sixties, and her advisor projected that RMDs alone would push her into a permanently higher bracket for the rest of her life, with meaningful IRMAA exposure layered on top.

Rather than trying to fix everything in one year, Eleanor's plan called for satisfying each year's RMD first, then converting an additional, carefully sized amount annually for several years — deliberately accepting a higher near-term tax bill in exchange for a materially smaller RMD floor (and smaller IRMAA exposure) for the remainder of her life, plus a cleaner inheritance for her two adult children.

CASE EXAMPLE 2 — CHAPTER 4**Walter, 74 — Converting for the Grandkids**

Walter didn't need his IRA to fund his own retirement — his pension and Social Security covered his living expenses comfortably. His real objective was his three grandchildren, who stood to inherit whatever was left, and who would each be in their own peak earning years by the time the 10-year clock on an inherited account ran out.

After satisfying his RMDs, Walter converted a portion of his remaining Traditional balance over several years, paying the tax from outside savings. The result: instead of his grandchildren inheriting a Traditional IRA that would generate a decade of taxable income stacked on top of their own high-earning salaries, they'll inherit a Roth balance that comes out tax-free on whatever schedule they choose within that same 10-year window.

CASE EXAMPLE 3 — CHAPTER 4**Frank, 75 — The Charitable Alternative**

Frank was charitably inclined and, after modeling his options, realized that directing a portion of his RMD each year straight to charity through a Qualified Charitable Distribution (QCD) satisfied part of his RMD without adding a dime to his taxable income — an option that doesn't involve conversion at all, but complements one.

Frank's plan combined both tools: QCDs to cover the charitable portion of his giving directly from his RMD, and modest additional Roth conversions on the remaining balance he intended to leave to his children. It's a reminder that RMD defusal isn't limited to conversions alone — for the charitably minded, QCDs are a legitimate part of the same toolkit.

CHAPTER 5

Execution Logistics & Source Funding

Everything in this book so far has been about when and how much to convert. This chapter is about how to execute a conversion without stepping on a landmine — because the mechanics matter just as much as the strategy, and a well-timed conversion executed sloppily can cost you real money.

The Execution Chapter in One Number: 10%

the early-withdrawal penalty triggered when a custodian withholds conversion taxes from someone under 59½ — entirely avoidable with the right paperwork.

Don't Let the IRA Pay Its Own Tax Bill

The single most common execution mistake is letting the custodian withhold a percentage of the converted amount to cover the tax bill directly from the account. If you're under 59½, that withheld portion is treated as an early distribution and hit with an immediate 10% penalty on top of ordinary income tax — a costly surprise for something that felt like routine paperwork.

“Always pay the conversion tax bill from your taxable bucket, never by withholding from the conversion itself — withholding shrinks the amount that gets to compound tax-free.”

— Suba Narla, *The Wealth Pivot*

Even past 59½, withholding from the conversion itself shrinks the amount that actually lands in your Roth, which quietly reduces the entire point of the exercise: maximizing the dollars compounding tax-free. Always instruct a direct, trustee-to-trustee transfer with 0% withholding.

Most custodians default their conversion paperwork to a standard withholding percentage unless you actively opt out — it's a box you have to remember to uncheck, not something that's opted out for you automatically. Double-checking this single line item on the form is one of the highest-value five minutes in the entire conversion process.

Use Outside Cash Like a Second Retirement Contribution

Pay the resulting tax bill with money from outside the retirement system — a high-yield savings account, a taxable brokerage account, whatever's sitting on the sidelines. This keeps 100% of your Traditional balance moving into the Roth intact, rather than shrinking it to cover its own tax bill.

Think of that outside cash as a second, informal retirement contribution: you're effectively using after-tax dollars to supercharge the amount growing tax-free inside the Roth, above and beyond what the conversion itself would have delivered.

This only works, of course, if the outside cash actually exists and isn't earmarked for something else — an emergency fund, a near-term expense, a down payment. Part of planning a conversion is confirming ahead of time, not the week taxes are due, that the cash to pay for it is genuinely available and genuinely spare.

“A surrender charge schedule is not a loophole for converting “at a discount.” Expect to be taxed on at least the accumulation value, and possibly more.”

— Suba Narla, *The Protected Pivot*

The Pro-Rata Rule — Why You Can't Cherry-Pick

A popular misconception is that you can isolate just the after-tax (non-deductible) dollars in a Traditional IRA and convert only those tax-free — the so-called “backdoor Roth” done casually. Under IRC Section 408(d)(6), the pro-rata rule requires the IRS to treat all your Traditional, SEP, and SIMPLE IRAs as one combined pool for this purpose, regardless of which specific account the conversion comes from.

If your aggregate IRA holdings are 90% pre-tax and 10% after-tax, any conversion — no matter which account it's pulled from — gets taxed as 90% ordinary income. Doing a true, clean backdoor Roth generally requires having no other pre-tax IRA balances at all or being willing to accept the pro-rata blend.

One workaround worth knowing: some employer 401(k) plans accept an incoming rollover from an IRA. Rolling pre-tax IRA balances into a 401(k) that accepts them (before doing a backdoor Roth) can remove those balances from the pro-rata calculation entirely, since 401(k) balances aren't included in the IRA aggregation. It's a plan-specific option, not something every 401(k) allows, so it needs to be confirmed with the plan administrator before counting on it.

Deeper Dive: Building a Simple Conversion Execution Log

Because conversions are permanent and the paperwork can get complicated across multiple years and multiple accounts, it's worth keeping a simple running log: the date of each conversion, the amount, the source account, the withholding percentage confirmed at 0%, and the estimated tax payment made against it. This isn't required by the IRS, but it makes tax-time reconciliation dramatically easier, and it gives your CPA a clean paper trail if a return is ever questioned.

A basic spreadsheet with one row per conversion is usually all this takes. This habit costs almost nothing to build and saves real time — and real stress — every April.

Quick Actions

- Aggregate the total value of every Traditional, SEP, and SIMPLE IRA you own to check pro-rata exposure before converting anything.
- Confirm you have sufficient outside, non-retirement cash to cover the full projected tax bill.
- Instruct your custodian to perform a direct trustee-to-trustee transfer with 0% tax withholding.
- Make quarterly estimated tax payments (IRS Form 1040-ES) to avoid underpayment penalties on the conversion.

Case Studies

CASE EXAMPLE 1 — CHAPTER 5

Sam, 58 — The Withholding Penalty Nobody Warned Him About

Sam converted \$60,000 through his online brokerage and, without thinking much of it, left the default 20% federal withholding box checked. The custodian sent \$48,000 to his Roth and \$12,000 to the IRS as withholding.

Because Sam was 58 — under 59½ — that \$12,000 wasn't treated as a normal tax payment on the conversion. It was treated as an early distribution from the Traditional IRA, triggering a 10% early withdrawal penalty (\$1,200) on top of the ordinary tax he already owed on the full \$60,000. A five-minute custodian form, filled out incorrectly, cost him over a thousand dollars and shrank the amount that made it into his Roth.

CASE EXAMPLE 2 — CHAPTER 5**Derek — The Backdoor Roth That Wasn't**

Derek made a \$7,000 non-deductible contribution to a Traditional IRA specifically to do a backdoor Roth conversion, expecting it to come through completely tax-free since he'd already paid tax on that \$7,000. What he'd forgotten was an old rollover IRA from a previous employer, sitting at \$140,000, entirely pre-tax.

Because the IRS aggregates all Traditional-type IRAs for pro-rata purposes, only about 4.7% of his conversion was treated as tax-free (the \$7,000 relative to his \$147,000 total balance). The rest was taxed as ordinary income — a surprise tax bill on a conversion Derek had assumed was a non-event.

CASE EXAMPLE 3 — CHAPTER 5**Yuki — The Rollover Workaround**

Yuki wanted to do an annual backdoor Roth but, like Derek, had an old \$95,000 rollover IRA sitting from a previous job. Unlike Derek, Yuki checked with her current employer's 401(k) plan first and confirmed it accepted incoming IRA rollovers.

She rolled the \$95,000 pre-tax balance into her 401(k), leaving her IRA holdings at \$0 pre-tax. Her subsequent \$7,000 non-deductible contribution and immediate conversion came through cleanly, with no pro-rata blending, because there was no other IRA balance left to aggregate against it.

CHAPTER 6

Putting It Together — A Composite Family's 25-Year Plan

It's one thing to read each phase in isolation. It's another to see how they connect. This chapter follows one composite household — call them the Alvarez family — through the entire 50-to-75 window, showing how the decisions from every earlier chapter chain together over time. The Alvarezes aren't a real family, but every number and decision in their timeline reflects the same logic laid out in Chapters 1 through 5.

“The conversion tax bill was identical to what it would have been in a flat market; the number of shares that escaped future taxation was not.”

— Suba Narla, *The Wealth Pivot*

Setting the Scene

At 50, David and Marisol Alvarez have a combined \$1.4 million across Traditional 401(k) and IRA accounts, both still working, and a household income of roughly \$340,000 a year — solidly in the 32% federal bracket. They have no Roth accounts yet at all. Their advisor lays out a 25-year plan, phase by phase, matching each stage of this book.

Phase One: Ages 50–59 (Chapter 1 in Action)

Rather than avoid conversions during their peak-earning years, David and Marisol do a small \$12,000 seed conversion at 51, purely to start the five-year clock. They repeat modest

conversions in the \$10,000–\$15,000 range for the next few years, always careful to stay clear of the 35% bracket line, and both max out their catch-up contributions starting at 50 to soften the impact.

By 59, their combined seed conversions total about \$95,000 — a small fraction of their overall Traditional balance, but enough to have their Roth accounts' five-year clocks long since satisfied, and enough experience with the mechanics that the process feels routine rather than intimidating.

Phase Two: Ages 60–64 (Chapter 2 in Action)

Marisol retires at 60; David continues consulting part-time. Their household income drops sharply — this is their golden window. Over the next five years, they convert aggressively but deliberately, filling the 22% bracket each year and occasionally dipping into 24% when the Break-Even Tax Rate math supports it.

By 64, they've converted an additional \$560,000, cutting their combined Traditional balance by more than a third. Their average effective conversion rate across this phase is roughly 19% — well below the 32%+ rate they were paying in their fifties, and well below their projected future rate once RMDs and Social Security are both active.

Phase Three: Ages 65–69 (Chapter 3 in Action)

At 65, Medicare enters the picture, and the plan shifts from "convert as much as the bracket allows" to "convert as much as the bracket and IRMAA allow." David and Marisol's advisor projects their MAGI two years ahead each year, keeping

conversions sized to avoid crossing IRMAA tier lines they haven't already accepted on purpose.

They begin claiming Social Security at 67, at which point the torpedo range becomes a live consideration. Conversions in this phase slow to a more conservative \$30,000–\$40,000 a year each, prioritizing staying clear of the torpedo's steepest zone over maximizing the raw dollar amount converted.

Phase Four: Ages 70–75 (Chapter 4 in Action)

By 73, David's first RMD comes due. Because of the conversions completed in the two prior phases, his remaining Traditional balance — and therefore his RMD — is considerably smaller than it would have been without any planning: roughly \$310,000 combined between David and Marisol, down from an unmanaged trajectory that could easily have exceeded \$1.1 million by this age.

Each year, they satisfy the RMD first, then convert a modest remaining amount, continuing to shrink the Traditional balance further. By 75, their Traditional accounts are largely converted, their RMDs are modest and manageable, and their two children stand to inherit a heavily Roth-weighted estate rather than a large, fully taxable one.

The 25-Year Result

Across the full quarter-century, the Alvarezes paid conversion taxes in stages, at an average effective rate meaningfully below what a single, un-planned lump-sum conversion at any point would have cost — and far below the rate their RMDs alone

would have forced on them in their seventies and eighties without any conversions at all.

None of this required a single dramatic decision. It required a plan, revisited every year, applied consistently across each phase — exactly the structure this book has walked through, chapter by chapter.

Common Variations on This Plan

Not every household looks like the Alvarezes, so it's worth naming a few common variations. A single filer generally faces narrower bracket bands than a married couple filing jointly, which means the same dollar amount of conversion income can cross a bracket threshold faster — the bucket-filling math in Chapter 2 still applies, just with smaller buckets. Single filers should also expect to hit the base IRMAA threshold at roughly half the joint-filer figure, which often means more conservative conversion sizing during the Medicare years covered in Chapter 3.

A business owner or self-employed household adds another layer: income can be lumpier year to year, which makes the multi-year spreadsheet from Chapter 2 even more valuable, since a single unusually strong or weak year can open (or close) a conversion window that a salaried employee wouldn't see. And a household with a significant age gap between spouses may find that one spouse's low-income valley and RMD timeline don't line up neatly with the other's — in that case, the plan typically gets built around the older spouse's RMD deadline while still taking advantage of the younger spouse's extended runway.

None of these variations change the underlying framework — they just change which knobs get turned. The five-phase structure in this book is a map, not a fixed itinerary; where your household's plan lands on that map depends on your specific numbers.

Phase (Ages)	Primary Move	Approx. Amount Converted
50–59	Seed conversions to start the 5-year clock	≈ \$95,000
60–64	Aggressive bracket-filling in the golden window	≈ \$560,000
65–69	Slower, IRMAA- and torpedo-aware conversions	≈ \$310,000
70–75	RMD-first, then modest additional conversions	≈ \$180,000

CHAPTER 7

Thirteen Mistakes That Sink a Roth Conversion Plan

Every strategy in this book can be undone by an execution mistake. Here are the ten most common ones we see, in no particular order — any single one of them can turn a smart conversion into an expensive one.

“Draining one bucket at a time feels tidy. It is also how undisciplined savers back themselves into the highest tax bracket of their lives at 73.”

— Suba Narla, *The Wealth Pivot*

1. Converting everything in one giant lump sum

A single oversized conversion almost always pushes you through multiple bracket lines at once, and can trigger IRMAA and Social Security torpedo effects simultaneously. Spread it out across several years instead, sized to the brackets you want to fill.

2. Letting the custodian withhold taxes from the conversion

As Sam's story showed, withholding under 59½ is treated as an early distribution and penalized. Even after 59½, it shrinks the amount compounding tax-free, quietly undermining the whole point of converting in the first place.

3. Ignoring the two-year IRMAA lookback

A conversion today can spike Medicare premiums two years from now. Project forward, don't just look at this year's return

— by the time the premium notice arrives, it's too late to undo the conversion that caused it.

4. Converting an amount that should have gone toward an RMD

Once you're RMD-eligible, the first dollars out must satisfy that year's RMD. Attempting to convert before satisfying it is not just a planning error — it's not permitted and can require unwinding transactions with your custodian.

5. Treating it as a one-time event instead of a multi-year plan

The whole strategy depends on filling specific brackets in specific years. A single ad hoc conversion, done without a multi-year map, usually leaves money on the table that a phased plan would have captured.

6. Forgetting about state income tax

Federal bracket math is only half the picture. A conversion that looks efficient federally can look very different once state tax is layered on — especially if you're planning to relocate to a no-income-tax state soon, where timing the move relative to the conversion can matter.

7. Not coordinating conversions with a spouse's income

Married filing jointly means both incomes stack together against the same bracket thresholds. A conversion planned in isolation from a spouse's income, bonus, or business sale can blow through a bracket line neither person saw coming.

8. Overlooking the Net Investment Income Tax (NIIT)

While conversion income itself generally isn't subject to the 3.8% NIIT, pushing your MAGI higher can pull other investment

income into NIIT territory for the first time. Model the whole return, not just the conversion line in isolation.

9. Assuming the backdoor Roth is automatically tax-free

As Derek discovered, the pro-rata rule aggregates every Traditional, SEP, and SIMPLE IRA you own. Forgetting an old rollover account is one of the most common — and most expensive — oversights in this entire book.

10. Waiting until your seventies to start planning

By the time RMDs begin, your flexibility has narrowed considerably. The cheapest, most flexible conversion years are almost always earlier than people expect — which is the entire premise of Chapters 1 and 2.

11. Forgetting to update beneficiary designations after converting

A conversion moves money into a new account, and it's easy to assume beneficiary designations carry over automatically or don't need review. Always confirm the Roth account's beneficiary designation matches your current wishes — an outdated designation can undermine the very legacy planning described in Chapter 4.

12. Not accounting for the Additional Medicare Tax

High earners already subject to the 0.9% Additional Medicare Tax on wages above statutory thresholds should note that conversion income, as ordinary income, can also affect where that threshold is crossed in a given year — one more line-item worth checking in a full-return projection rather than assuming it only applies to salary.

13. Skipping the estimated tax payment and hoping the year-end return covers it

Even with 0% withholding executed correctly, the tax owed on a conversion still needs to be paid during the year it happens — either through increased withholding elsewhere or quarterly estimated payments. Waiting until the following April to settle the entire bill can trigger an underpayment penalty on top of the tax itself, an entirely avoidable cost.

CHAPTER 8**Frequently Asked Questions****Q: Is a Roth conversion the same thing as a Roth contribution?**

A: No. A contribution is new money going directly into a Roth (subject to income limits). A conversion is existing Traditional IRA or 401(k) money moving across into a Roth, with no income limit on who can do it, but with an immediate tax bill on the amount converted.

Q: Can I undo a conversion if I change my mind?

A: Not anymore. Recharacterization of Roth conversions was eliminated starting with the 2018 tax year. Once you convert, it's final — which is exactly why sizing the conversion carefully, before you execute it, matters so much.

Q: What tax rate will I actually pay on a conversion?

A: The converted amount is added to your ordinary taxable income for the year and taxed at your marginal rate(s) for that amount — it can span more than one bracket if the conversion is large enough to cross a threshold. There's no special, lower "conversion rate."

Q: Do I owe state income tax on a conversion too?

A: In most states with an income tax, yes — the converted amount is generally taxable at the state level as well. If you're planning to move to a no-income-tax state, timing conversions after the move (where legally appropriate) can matter.

Q: What if tax rates go down instead of up?

A: It's a real possibility, and it's exactly why the Break-Even Tax Rate framework from Chapter 2 matters — the decision should

be driven by a comparison of your current rate to your realistic projected future rate, not by a blanket assumption that rates only rise.

Q: I'm already retired and living off savings — does any of these still apply to me?

A: Often even more so. Retirees living off savings frequently have their lowest lifetime taxable income in these years, which is exactly the low-income valley described in Chapter 2.

Q: Is there an age limit on doing a Roth conversion?

A: No upper age limit exists for conversions themselves, though the strategic rationale shifts with age — from personal tax-rate optimization in your fifties and sixties, to RMD reduction and legacy planning in your seventies, as covered in Chapter 4.

Q: How do I know how much to convert each year?

A: This is precisely why a multi-year income projection (Chapter

2) and the Break-Even Tax Rate comparison exist — the right amount depends on your specific bracket, your IRMAA exposure, your Social Security timing, and your long-term goals. It's not a one-size-fits-all number, which is why working with a professional to model your specific return matters.

Q: Do I have to convert my entire Traditional IRA, or can I do partial conversions?

A: Partial conversions are not only allowed, they're the standard approach in every strategy this book describes. Nearly every case study in Chapters 1 through 5 involves converting a deliberately sized slice of a larger balance, not the whole account at once.

Q: What happens to a Roth IRA if I never spend the money?

A: Because the original owner has no RMDs on a Roth IRA, the account can simply keep compounding tax-free for as long as you live, then pass to your heirs — who will still face the 10-year emptying rule described in Chapter 4, but with tax-free distributions throughout that window.

Q: Does Roth conversion affect eligibility for financial aid, ACA subsidies, or other income-tested programs?

A: Potentially, yes. Conversion income counts toward MAGI for many income-tested programs, not just IRMAA. Anyone receiving ACA marketplace subsidies, for example, should model the conversion's effect on subsidy eligibility before executing it, the same way this book recommends modeling IRMAA exposure.

Q: Can I convert stock or other investments "in kind," rather than converting cash?

A: Yes — an in-kind conversion moves the actual shares from the Traditional account to the Roth account without selling them first. The taxable amount is based on the fair market value on the date of conversion, and the shares then continue in the Roth with the same cost basis reset. This can be useful when you'd rather not sell a position, but it doesn't change any of the bracket, IRMAA, or pro-rata mechanics covered elsewhere in this book.

Q: Should I convert a large amount right before a market downturn, or wait?

A: Some planners favor converting after a market drop, since the same number of shares carries a lower taxable value — you pay

tax on a temporarily depressed balance, then get the recovery tax-free inside Roth. It's a reasonable tactical overlay, but it shouldn't replace the underlying bracket and IRMAA planning covered in this book; a well-timed conversion in a bad bracket year is still a bad idea.

Q: What happens if I convert and then discover I made an error in my projection?

A: Since recharacterization is no longer available, an over-large conversion can't be undone — the tax on the full amount is owed regardless. This is exactly why the worksheet in Appendix C exists: running the numbers carefully before executing is the only real safeguard, since there's no do-over once the transaction is complete.

Q: Do required minimum distributions from an inherited Roth IRA work differently than from an inherited Traditional IRA?

A: Both are generally subject to the same 10-year emptying rule for non-spouse beneficiaries and depending on whether the original owner had begun their own RMDs, some heirs may also owe annual distributions within that 10-year window on either account type. The critical difference is that Roth distributions come out tax-free, while Traditional distributions are taxed as ordinary income to the heir.

CHAPTER 9

Where This Strategy Comes From

Understanding a little of the history behind Roth accounts and the rules that shape this book helps explain why the strategies work the way they do — and why the landscape keeps shifting under retirees' feet every few years.

“An annuity decides how a dollar grows and pays out; the tax plan decides which bucket that dollar lives in and when the IRS gets its share.”

— Suba Narla, *The Protected Pivot*

The Roth IRA's Origins

The Roth IRA was created by the Taxpayer Relief Act of 1997, named for Senator William Roth of Delaware, who championed the idea of a retirement account funded with after-tax dollars in exchange for tax-free growth and withdrawals. At the time, it was a relatively modest addition to the retirement account landscape, dwarfed in size by Traditional IRAs and employer 401(k) plans.

The ability to convert a Traditional IRA to a Roth existed from early on but was originally limited — income caps restricted who could convert at all. Those income limits on conversions were permanently removed starting in 2010, which is the change that turned the Roth conversion from a niche option into the mainstream, widely used planning tool described throughout this book.

The End of Recharacterization

For years, converters had a safety net: if a conversion turned out to be a bad idea — say, the market dropped sharply right afterward, leaving someone with a tax bill on a now-smaller balance — they could "recharacterize," essentially undoing the conversion as if it never happened, up until the extended tax filing deadline of the following year.

The Tax Cuts and Jobs Act of 2017 eliminated that safety net for conversions starting in 2018. This is precisely why the earlier chapters of this book emphasize careful, deliberate sizing before you convert — once a conversion is executed today, it is final, full stop.

The SECURE Act and SECURE 2.0

The original SECURE Act, passed in late 2019, made two changes central to this book: it raised the RMD starting age from 70½ to 72, and it eliminated the stretch IRA for most non-spouse beneficiaries in favor of the 10-year rule described in Chapter 4. SECURE 2.0, passed at the end of 2022, pushed the RMD starting age further, to 73 (and eventually 75 for younger cohorts), and expanded catch-up contribution provisions referenced in Chapter 1.

The pattern across both pieces of legislation is worth noticing: Congress has been steadily pushing the mandatory-distribution age later while simultaneously making the inheritance rules less generous for non-spouse beneficiaries. Those two trends, taken together, are a large part of why proactive Roth conversion planning across the 50-to-75 window has become more valuable, not less, over the past several years.

Why the Rules Will Probably Change Again

Retirement account rules have changed meaningfully roughly every five to ten years for the last three decades, and there's no reason to expect that pace to stop. IRMAA thresholds are adjusted annually for inflation. Tax brackets themselves are set to shift when current provisions expire or get renewed. RMD ages have already changed twice within this book's own lifetime of research.

This is exactly why this book emphasizes a revisit-every-year mindset rather than a fixed formula. The strategies — start early, fill cheap brackets, mind the Medicare cliffs, defuse RMDs, execute cleanly — are durable. The specific numbers attached to them are not and never will be.

CHAPTER 10

Getting the Most Out of Your Advisor or CPA

Nothing in this book is meant to replace a qualified professional — if anything, it's meant to make the conversations with one more productive. This short chapter covers how to get the most value out of that relationship when it comes to Roth conversion planning specifically.

“Retirement tax planning is not about illegal evasion; it is about strategic avoidance — understanding the tax code well enough to choose when, how, and from which bucket you draw income, so you keep the maximum amount possible.”

— Suba Narla, *The Wealth Pivot*

Who Should Be in the Room

A Roth conversion decision genuinely spans two disciplines: tax preparation and financial planning. A CPA is generally the right person to confirm the precise tax impact of a specific conversion amount on your actual return, including state tax and any secondary effects like NIIT. A financial planner or wealth advisor is generally the right person to build and maintain the multi-year projection — the spreadsheet spanning your fifties through your seventies — and to coordinate the conversion decision with your broader investment and retirement income strategy.

Ideally, both professionals are talking to each other, not just to you separately. If they aren't currently connected, it's worth explicitly asking each to loop in the other before a conversion of any real size.

Questions Worth Asking at Your Next Review

A few pointed questions can quickly reveal whether your current planning relationship is actively managing this opportunity or just filing your return each spring. Bringing a short list to your next meeting tends to produce a much more useful conversation than a general "should I convert?" question.

- What's my current headroom before the next tax bracket threshold this year?
- Where do I currently sit relative to the next IRMAA tier, projected two years out?
- Have you modeled my RMDs under my current trajectory, and how do they compare to a scenario with continued conversions?
- What would my heirs' tax situation look like if I passed this account to them today, versus after several more years of conversions?
- Is there a specific dollar amount you'd recommend converting this year, and why that number specifically?

Making It a Standing Item, Not a One-Time Project

The single biggest difference between households that use this strategy well and households that don't isn't sophistication —

it's whether the annual review actually happens. A conversion plan built once and never revisited tends to drift out of date within a year or two, as income, tax law, and family circumstances all shift. Ask that Roth conversion planning be added explicitly to the agenda of your annual (or more frequent) review, rather than assuming it will come up naturally.

If your current advisor or CPA relationship doesn't proactively raise this topic, that's worth noticing. It doesn't necessarily mean the relationship isn't working for other things, but it's a reasonable signal to ask directly whether ongoing, multi-year Roth conversion planning is part of the service you're already paying for — and if not, whether it can be added, or whether a specialist should be brought in alongside your existing team.

APPENDIX A

Quick-Reference Tables

These tables are illustrative reference points, not this year's official IRS figures. Brackets and thresholds are indexed for inflation and change annually — always confirm current numbers before acting.

Illustrative Federal Ordinary Income Brackets (Single / Married Filing Jointly)

Bracket	Single Filer (approx.)	Married Filing Jointly (approx.)
10%	\$0 – \$12,400	\$0 – \$24,800
12%	\$12,401 – \$50,400	\$24,801 – \$100,800
22%	\$50,401 – \$105,700	\$100,801 – \$211,400
24%	\$105,701 – \$201,775	\$211,401 – \$403,550
32%	\$201,776 – \$256,225	\$403,551 – \$512,450
35%	\$256,226 – \$640,600	\$512,451 – \$768,700
37%	\$640,600+	\$768,700+

IRMAA Reference Tiers (Illustrative Baseline)

MAGI Tier Trigger	Single Filer	Married Filing Jointly
Base tier ends at	\$109,000	\$218,000
Look-back basis	Tax return from two years prior	Tax return from two years prior
Effect of crossing	Full-tier surcharge on Part B & D, not marginal	Full-tier surcharge on Part B & D, not marginal

Key Ages Cheat Sheet

Age	What Happens
50	Catch-up contributions become available for 401(k)s and IRAs.
55–59	Peak-earnings pivot window; good time for small seed conversions.
59½	Early-withdrawal penalty no longer applies to distributions.
60–64	The "golden window" — the low-income valley before benefits begin.

Age	What Happens
62	Earliest age to claim Social Security (at a reduced benefit).
65	Medicare begins; IRMAA becomes relevant.
67	Full Retirement Age for Social Security (varies by birth year).
70	Maximum Social Security benefit reached if delayed this long.
73–75	RMDs begin, phased by birth year under SECURE 2.0.

Per-Chapter Decision Checklist

Chapter	Before You Convert, Confirm...
1 (Ages 50–59)	Conversion size won't cross your current bracket line; 5-year clock is now running.
2 (Ages 60–64)	Income has actually dropped; conversion fills a target bracket without overflow.

Chapter	Before You Convert, Confirm...
3 (Ages 65–69)	Two-year-forward MAGI stays under your IRMAA tier; torpedo range identified.
4 (Ages 70–75)	Current year's RMD fully satisfied first; heirs' 10-year rule impact considered.
5 (Execution)	0% withholding instruction; outside cash confirmed; pro-rata exposure checked.

Illustrative Multi-Year Conversion Ladder (Single Retiree Example)

Year	Age	Other Income	Conversion Amount	Bracket Filled To
Year 1	61	\$8,000 dividends	\$41,000	12%
Year 2	62	\$9,000 dividends	\$44,000	12%
Year 3	63	\$9,500 dividends	\$52,000	22%
Year 4	64	\$10,000 dividends	\$52,000	22%

Year	Age	Other Income	Conversi on Amount	Bracket Filled To
Year 5	65	\$10,500 dividends + Medicare starts	\$38,000	22% (IRMAA -capped)

APPENDIX B**A Word on State Taxes**

Everything in this book has focused on federal tax treatment, because the federal rules are consistent Nationwide. State tax treatment is not — it varies enormously, and it deserves its own quick word here rather than being folded silently into the federal math.

Roughly a handful of states have no state income tax at all, which means a conversion executed as resident in one of those states avoids state-level tax on the converted amount entirely. Most states, however, tax conversion income as ordinary income, generally following the federal MAGI figure as a starting point, sometimes with their own adjustments layered on top.

A common (and legitimate) piece of planning for people relocating in retirement is sequencing: completing large conversions after establishing residency in a lower- or no-tax state, rather than before. This isn't a loophole — it's simply recognizing that state residency rules genuinely determine which state taxes the income and timing a move relative to a large conversion can have a real, legal impact on the total tax bill. Residency rules themselves can be more involved than they first appear (some states look at days present, domicile intent, and other factors), so this is an area where coordinating with a CPA familiar with both the old and new state's rules matters even more than usual.

It's also worth noting that some states offer partial exclusions or credits for retirement income that may treat conversion income

differently than ordinary wage income — the details vary widely enough that a blanket statement isn't useful here, but it's one more reason a state-specific check belongs in every conversion plan, not just a federal one.

Finally, remember that state tax exposure isn't just about where you live during the conversion year — it can also matter for your heirs. An inherited account is generally taxed based on the beneficiary's state of residence at the time of distribution, not the original owner's state, which means a Roth conversion's state-tax benefit can pass down to heirs living somewhere entirely different from where the original owner lived.

APPENDIX C

A Worksheet Template You Can Copy

This is the same basic structure the case studies in this book use behind the scenes. Photocopy it, build it in a spreadsheet, or hand it to your advisor as a starting point — the point isn't the specific tool, it's building the habit of running these seven questions every single year before deciding whether, and how much, to convert.

#	Question to Answer Before Converting
1	What is my projected taxable income this year, before any conversion?
2	How much room exists before the next bracket threshold?
3	What is my projected MAGI two years from now, and how does it compare to the next IRMAA tier?
4	Am I collecting Social Security, and if so, where does this conversion fall relative to the torpedo range?
5	Have I satisfied this year's RMD already, if I'm RMD-eligible?

#	Question to Answer Before Converting
6	Do I have sufficient outside cash to pay the tax bill without touching the converted amount?
7	Does my aggregate pre-tax IRA balance create any pro-rata exposure for this conversion?

Answering all seven honestly, every year, is most of what separates a well-executed multi-decade conversion plan from an expensive, unplanned one. None of the individual questions are complicated — the discipline is in asking all seven, every year, rather than acting on instinct in the moment.

Example: A Filled-In Worksheet (Marisol Alvarez, Age 62)

To show what this looks like in practice, here's how Marisol from the Chapter 6 case study might have answered the same seven questions during her Golden Window years.

#	Question	Marisol's Answer
1	Projected income this year	≈ \$14,000 (dividends and interest only; fully retired)

#	Question	Marisol's Answer
2	Room before next bracket	≈ \$36,000 remaining in the 12% bracket
3	MAGI two years out vs. IRMAA	Well under the single-filer threshold; ample buffer
4	Social Security / torpedo range	Not yet claiming; not a factor this year
5	This year's RMD satisfied?	Not yet RMD-eligible; not applicable
6	Outside cash available?	Yes — \$18,000 set aside in a taxable brokerage account
7	Pro-rata exposure?	No after-tax IRA basis; not applicable this conversion

Based on these answers, Marisol's advisor recommended converting \$50,000 that year — enough to fill the remaining 12% bracket space without spilling into the 22% bracket, fully funded from outside cash, with no IRMAA or pro-rata concerns standing in the way. The worksheet didn't make the decision for

her; it simply made sure nothing important was overlooked before she made it.

APPENDIX D**A Sample Email to Send Your Advisor**

If you're not sure how to start the conversation described in Chapter 10, here's a template you can adapt and send ahead of your next review meeting. Sending something like this in advance tends to produce a far more focused meeting than raising the topic cold.

Subject: Roth conversion review for this year

Hi [Advisor's name],

Ahead of our next review, I'd like to spend some time on Roth conversion planning specifically. Could you help me look at:

- My current headroom before the next tax bracket threshold this year*
- Where I sit relative to the next IRMAA tier, projected two years out*
- A projection of my RMDs under my current trajectory versus a scenario with continued conversions*
- Whether there's a specific amount you'd recommend converting this year, and the reasoning behind that number*

I'd like this to become a standing part of our annual review going forward, not a one-time conversation.

Thanks,

[Your name]

APPENDIX E

Glossary of Terms

Traditional IRA — A retirement account funded with pre-tax (or deductible) dollars; grows tax-deferred; withdrawals are taxed as ordinary income in the year they're taken. The most common source accounts for a Roth conversion.

Roth IRA — A retirement account funded with after-tax dollars; grows entirely tax-free; qualified withdrawals are tax-free, and the original owner has no RMDs during their lifetime — a key structural advantage over a Traditional account.

Roth Conversion — Moving money from a Traditional (or other pre-tax) retirement account into a Roth IRA, paying ordinary income tax on the converted amount in the year of conversion. This is the core transaction covered throughout this book.

RMD (Required Minimum Distribution) — The minimum amount the IRS requires you to withdraw annually from Traditional retirement accounts, starting at age 73 or 75 depending on birth year, calculated by dividing the prior year-end balance by an IRS life-expectancy factor.

IRMAA — Income-Related Monthly Adjustment Amount — a surcharge added to Medicare Part B and Part D premiums for higher-income beneficiaries, based on a cliff (tiered) structure rather than a gradual phase-in.

MAGI (Modified Adjusted Gross Income) — AGI with certain deductions added back; the income measure used to determine

IRMAA tiers, ACA subsidy eligibility, and other income-based phase-outs.

Five-Year Rule — The requirement that five tax years pass from your first Roth contribution or conversion before account earnings can be withdrawn tax- and penalty-free; the clock starts January 1 of the relevant tax year.

Pro-Rata Rule — IRC Section 408(d)(6); requires all Traditional, SEP, and SIMPLE IRAs to be treated as one combined pool when determining what portion of any conversion is taxable, regardless of which specific account the funds come from.

Break-Even Tax Rate (BETR) — The threshold at which your current conversion tax rate equals your projected future tax rate; converting below this rate is generally favorable, while converting above it generally is not.

Social Security Tax Torpedo — The effect where rising income causes a growing share of Social Security benefits to become taxable (up to 85%), spiking the effective marginal rate on certain income ranges well above the nominal bracket.

SECURE Act 10-Year Rule — The requirement, for most non-spouse beneficiaries, to fully empty an inherited IRA (Traditional or Roth) within 10 years of the original owner's death, replacing the older "stretch IRA" provisions.

Backdoor Roth — A strategy of making a non-deductible Traditional IRA contribution and then converting it to a Roth, typically used by high earners above direct Roth contribution income limits; subject to the pro-rata rule described above.

Qualified Charitable Distribution (QCD) — A direct transfer from a Traditional IRA to a qualifying charity, which can satisfy some or all of an RMD without adding to taxable income; available starting at age 70½.

Net Investment Income Tax (NIIT) — A 3.8% surtax on certain investment income for higher-income taxpayers above statutory MAGI thresholds; conversion income itself is generally excluded, but a conversion can indirectly pull other income into NIIT territory.

Trustee-to-Trustee Transfer — A direct transfer of assets between custodians (or between account types at the same custodian) with no withholding and no funds passing through the account owner's hands; the recommended method for executing a conversion.

Recharacterization — The now-eliminated ability to undo a Roth conversion after the fact; available before the 2018 tax year, it is no longer permitted, which is why conversion sizing must be deliberate before execution rather than adjusted afterward.

In-Kind Conversion — A conversion executed by transferring actual securities (rather than cash) from a Traditional account to a Roth account; the taxable amount is based on fair market value on the conversion date.

Full Retirement Age (FRA) — The age (66 to 67, depending on birth year) at which a person becomes eligible for an unreduced Social Security retirement benefit; claiming earlier reduces the benefit, and delaying past FRA (up to 70) increases it.

APPENDIX F

Passages From the Author's Other Books

The Tax-Free Pivot is one of three companion books. The passages below are drawn from *The Wealth Pivot* and *The Protected Pivot* because each one bears directly on the conversion decisions in this book — how your buckets are balanced, how the years before RMDs are used, and where the money waiting to be converted is kept safe.

From *The Wealth Pivot*

Retirement Tax Strategies and Wealth Design for Financial Freedom, From \$250,000 to \$100 Million and Beyond

For forty years, the goal was simple: one metric, the balance at the bottom of the statement. You saved, you watched compound interest do its work, and you crossed the finish line believing the hard part was over. But retirement is not the end of the financial project — it is a transition from accumulation to decumulation, from saver to cash-flow manager. Income no longer arrives on a single W-2; it is a patchwork woven from traditional IRAs, Roth accounts, brokerage assets, Social Security, and perhaps a pension. Uncle Sam is a silent partner in nearly all of it, and he owns an undetermined share of every pre-tax dollar you have saved.

Retirement planning is often taught as one discipline with one set of rules — and taxes are treated as an afterthought. In practice, the discipline forks sharply as liquid assets grow, and the tax code is not a footnote to the plan. It is the plan.

To build an efficient retirement tax strategy, stop looking at net worth as a single number and start looking at it as three distinct buckets, each with its own tax treatment. Where your assets sit across these buckets — not just how much you have — determines your annual tax flexibility for the next thirty years.

The years between your last paycheck and your first RMD are often the lowest tax-bracket years of your entire life. This chapter is about not wasting them.

A \$1.5 million traditional 401(k) at 73 generates a first RMD of roughly \$56,600, stacked automatically on top of investment income, Social Security and any pension income. The domino effect can push a household into a higher bracket, subject up to 85% of Social Security benefits to tax, and trigger IRMAA surcharges — a compounding penalty for having saved successfully.

Retirement tax planning is not about illegal evasion; it is about strategic avoidance — understanding the tax code well enough to choose when, how, and from which bucket you draw income, so you keep the maximum amount possible. This book gives you that blueprint, tier by tier and tool by tool, with two composite case examples in every chapter showing exactly how it plays out in practice.

From The Protected Pivot

Annuities, IRA & 401(k) Rollovers, Roth Conversions and Tax-Smart Retirement Strategies for Ages 50 to 85

A Roth conversion plan runs over many years, and it works best when the money waiting to be converted is not whipsawed by the market. An FIA inside a Traditional IRA can act as a protected "on-deck" account for future conversions, and an FIA inside a

Roth IRA can give tax-free dollars a floor. A simple immediate annuity bought with non-qualified money can even help keep taxable income low during conversion years. Chapter 20 walks through each of these roles.

Holding the "on-deck" portion of a Traditional IRA in an accumulation FIA changes that picture. The on-deck money can't lose value to a market decline, it continues to earn index-linked interest in good years, and the conversion schedule can proceed exactly as planned. The FIA becomes a staging area: protected, growing, and ready to convert in measured annual amounts.

An FIA inside a Roth IRA offers exactly that combination: a 0% floor, index-linked growth, and tax-free treatment of everything credited. If the FIA carries an income rider, the lifetime income it generates can be entirely tax-free once the Roth's five-year and age-59½ requirements are met. A guaranteed, tax-free paycheck for life does not add to taxable income, does not raise IRMAA surcharges, and does not make Social Security benefits taxable. For many retirees, that is one of the most efficient income sources available anywhere in the tax code.

In a strong bull market, the index fund wins decisively — roughly \$1.63 million versus \$857,000. That is the honest trade: an FIA gives up a meaningful share of upside in exchange for eliminating downside. Two conclusions follow. First, an FIA is not a substitute for long-term equity ownership for money with a 20- or 30-year horizon. Second, for money that must be there on a specific date — the first decade of retirement income, the funds earmarked for Roth conversion taxes, the portion of a rollover that you simply cannot afford to see fall by a third — the FIA's outcome range is narrower and far more predictable, and in the years that matter

most near retirement, predictability is often worth more than maximum upside.

Here the Roth conversion and the annuity work together. An FIA inside a Roth IRA that passes to a child keeps its principal protected up to the owner's death, and the child then has ten years of tax-free distributions. The same contract left in a Traditional IRA passes as fully taxable income.

A multi-year plan is therefore a sequence of carefully sized annual decisions. And every one of those decisions is easier when the money waiting to be converted is stable, when the cash to pay the taxes is protected, and when your other income is predictable. That is where annuities come in.

From The Private Bank Pivot

Be Your Own Banker with Fixed Index Universal Life — Tax-Free Income, Funding for College, Business, Real Estate, Retirement & Legacy

In most plans I build, the order of priority is: capture the full employer match; fund Roth accounts (directly, through a backdoor Roth, or through a Roth 401(k)); execute Roth conversions in low-bracket years, as described in *The Tax-Free Pivot*; and then, for families with the capacity and the need for a death benefit, add an IUL as an additional tax-free bucket.

A tax-free bucket gives you a lever. In a year when you need extra income (a new roof, a medical expense, a gift to a child), you can draw from the tax-free bucket without raising your bracket, increasing the taxable portion of your Social Security, or tripping an IRMAA surcharge two years later.

From The Living Benefits Pivot

How Life Insurance, Hybrid Long-Term Care and Annuity Riders Pay You While You're Living

Many readers of *The Tax-Free Pivot* are in the middle of a multi-year Roth conversion plan. A health event can knock that plan off course in two ways. First, large IRA withdrawals to pay for care add to taxable income and can use up the low brackets you were saving for conversions. Second, a care event can force you to sell investments at the wrong time, just as a bear market can.

For a family that spent 40 years building a retirement nest egg, two or three years of care can erase a large part of it. For a surviving spouse, it can mean the difference between a comfortable widowhood and a frightening one.

From The Worry-Free Retirement Pivot

A Lighthearted, Decade-by-Decade Plan From Age 20 to 75 for Guaranteed Income, Tax-Free Wealth, Asset Protection and Financial Freedom

The first five books are about tools — Roth conversions, annuities, tax design, Indexed Universal Life, living benefits. Tools are wonderful. I love tools. But nobody ever retired to a beach in Bora Bora because of a well-designed income rider. People retire toward something. This book is about the something.

A market crash can't cancel your groceries if your groceries are paid by a guarantee. That single sentence is the entire philosophy of the income floor.

AFTERWORD**A Final Word**

None of the strategies in this book are complicated in isolation — start early, fill cheap brackets, mind the Medicare cliffs, defuse RMDs before they defuse you, and execute cleanly. What makes the 50-to-75 window hard isn't any single decision; it's that the decisions compound on each other across two and a half decades, and a mistake in your early sixties can echo all the way into your inheritance planning in your seventies.

That's the whole case for treating this as a plan rather than a series of one-off choices. Revisit it every year. Rerun the numbers whenever your income, the tax code, or your goals change. And bring a professional into the process before you execute anything with real dollars attached.

If there's one habit worth taking from this entire book, it's this: sit down once a year, ideally in the fall when your income picture for the year is mostly known but there's still time to act before December 31st, and ask a simple question — is this a year to convert, and if so, how much? Some years the answer will be no. Many years the answer will be a modest, deliberate yes. Either answer is fine, as long as it's a decision you made on purpose rather than a window that closed while you weren't looking.

Every family's version of this plan will look a little different. Your bracket ceilings, your IRMAA exposure, your Social Security timing, your heirs' situations — all of it is specific to you, which is exactly why the case studies throughout this book

each show a different set of circumstances rather than a single template. Use them as a mirror to check your own situation against, not as a script to copy line for line.

If you take only one page from this entire book back to your next planning conversation, make it the seven-question worksheet in Appendix C. It condenses every chapter you've just read into a single annual checklist, and running through it once a year is, in practice, the entire discipline this book is trying to teach.

Thank you for reading. We hope this book gives you a clearer map of the bridge — and the confidence to cross it on your own terms, one well-timed year at a time.

ABOUT THE AUTHOR

Suba Narla



Suba Narla is a Wealth Strategist and Founder of Wealth Strategies USA, as well as a writer and educator focused on retirement income and tax strategies across the full spectrum of household wealth. His work centers on a simple premise: the mechanics of a good retirement plan — how withdrawals are sequenced, when Roth conversions make sense, how estate structures are built — are the same regardless of net worth, even as the tools available and the risks that dominate change dramatically as assets grow. He especially enjoys converting clients' tax-deferred income into tax-free income.

The Tax-Free Pivot brings together two of his core areas of focus — the tax mechanics that shape every retirement, and the age-by-age decisions that determine when, and how much, to convert — into a single, practical playbook.

He lives and writes in the United States and continues to research and publish on retirement income, tax-efficient wealth transfer, and family financial governance.

Also by Suba Narla

The Wealth Pivot — Retirement Tax Strategies and Wealth Design for Financial Freedom, From \$250,000 to \$100 Million and Beyond. *Six wealth tiers. Seven tax strategies. One playbook.*

The Protected Pivot — Annuities, IRA & 401(k) Rollovers, Roth Conversions and Tax-Smart Retirement Strategies for Ages 50 to 85. *Protect it. Grow it. Convert it to tax-free.*

The Private Bank Pivot — Be Your Own Banker with Fixed Index Universal Life — Tax-Free Income, Funding for College, Business,

Real Estate, Retirement & Legacy. *Protect your family. Grow your cash value. Borrow it tax-free.*

The Living Benefits Pivot — How Life Insurance, Hybrid Long-Term Care and Annuity Riders Pay You While You're Living. *Plan for care. Protect your savings. Get paid while you're living.*

The Worry-Free Retirement Pivot — A Lighthearted, Decade-by-Decade Plan From Age 20 to 75 for Guaranteed Income, Tax-Free Wealth, Asset Protection and Financial Freedom. *Worry less. Live more. Retire happy.*

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The single most consequential tax-planning window for most people

The government is a silent partner in every Traditional IRA and 401(k) you own — and it hasn't told you yet what its cut will be. **The Tax-Free Pivot** walks you through the 25 years from age 50 to 75, decade by decade, showing when to convert, how much, and how to pay the tax — so more of what you've saved reaches you, and your heirs, tax-free.

Inside, you'll learn:

- ◆ Why your fifties matter more than your tax bracket suggests
- ◆ The “golden window” between retirement and RMDs — and how to fill it
- ◆ Medicare IRMAA cliffs and Social Security taxation, explained
- ◆ Defusing required minimum distributions before they defuse you
- ◆ Paying the conversion tax the smart way — from outside the IRA
- ◆ Thirteen mistakes that sink a Roth conversion plan

“Every year you let that valley sit unused is a year of cheap tax brackets you'll never get back.”

— from *The Tax-Free Pivot*



Suba Narla is a Financial Advisor, Wealth Strategist, and Founder of Wealth Strategies USA. He is the author of all six books in *The Pivot Series*.

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