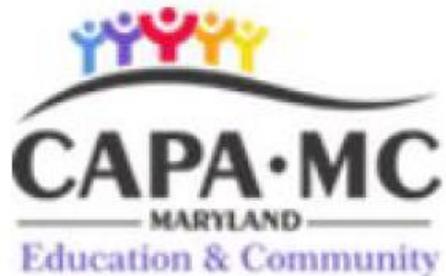


Eight Sources of Tax Free Retirement

Disclaimers:

1. General info for education and brainstorming.
2. Tax advice is family or student specific. Seek at least three expert for advice for a same topic.
3. Measure three times and cut once.



CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.
HEREBY CERTIFIES THAT

Mike Min Nie

has met CFP Board's educational, experience, examination, and ethical requirements, and has committed to providing financial planning services that adhere to CFP Board's standards of excellence.



A handwritten signature in black ink, appearing to read "Ken R. Q.".

关于讲员 Mike Nie

注册会计师(弗吉尼亚州执照#34954 / 马里兰州执照#45099)

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中国天津南开大学(国际金融学士和硕士)



Woke or Awake?



National debt surpasses \$31 trillion | Fox News

<https://www.foxnews.com/us/national-debt-surpasses-31-trillion>

3 hours ago · The U.S. **national debt** has passed \$31 trillion for the first time in history. Treasury Department data released Tuesday showed that the total **national debt** was \$31.123 trillion as ...

U.S. National Debt Exceeds \$30 Trillion for First Time - WSJ

<https://www.wsj.com/articles/u-s-national-debt-exceeds-30-trillion-for-first-time...>

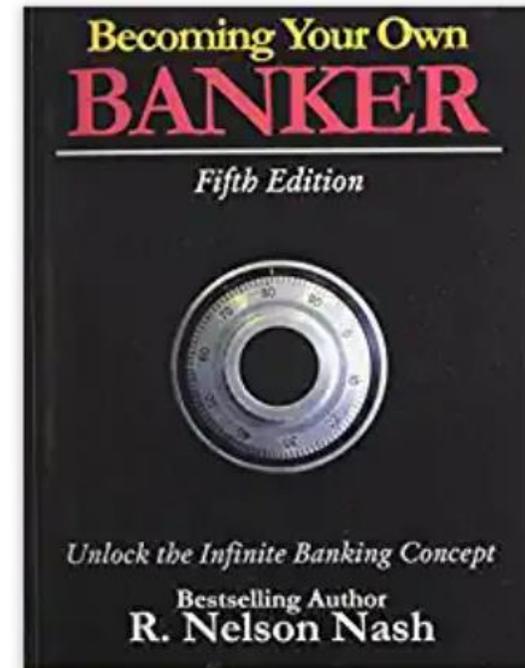
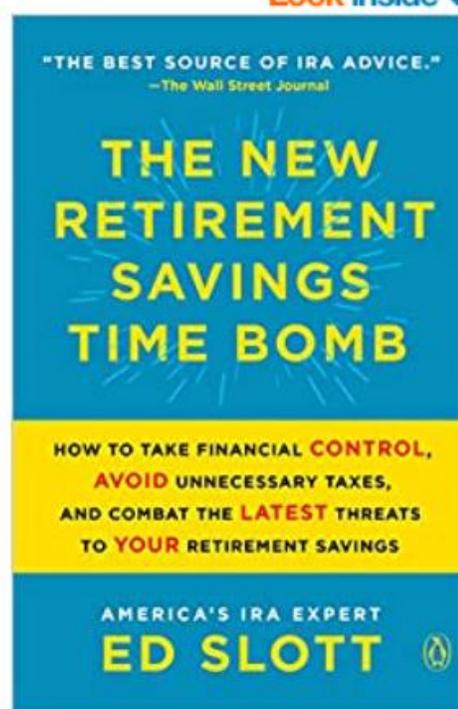
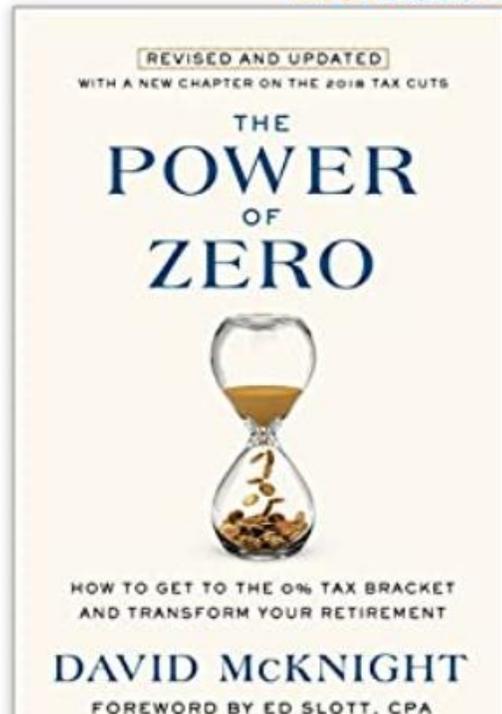
Feb 02, 2022 · Total public **debt** outstanding was \$30.01 trillion as of Jan. 31, according to Treasury Department data released Tuesday. That was a nearly \$7 trillion increase from late ...

Eight Sources of Tax Free Cash Flows for Retirement

Source	Note	Tax or tax free
Social Security Benefits	Delay till age 70 (28% bonus)	Tax free if provisional income below threshold
Roth IRA /401(K) / 403(b)	No RMD. Exposed to S&P 500. Ten year stretch after death	Tax free
Health Savings Account	Three rounds of tax free benefits	Tax free
Roth Annuity	Guaranteed life-time income. Out-live life insurance companies	Tax free
Loans from whole life insurance policies	Decoupled from stock market	Tax free
Loans from index universal life insurance	Zero is hero. Exposed to stock index	Tax free
Securities backed line of credit	Exposed to stock market	Tax free
Prime residence line of credit	Exposed to real estate market. Stay below estate tax exemption	Tax free

Note: traditional 401(K) / IRA should be below \$760,000 for couple, and dwindle each year

Three books about tax free retirement



Ed Slott, CPA, the National IRA expert

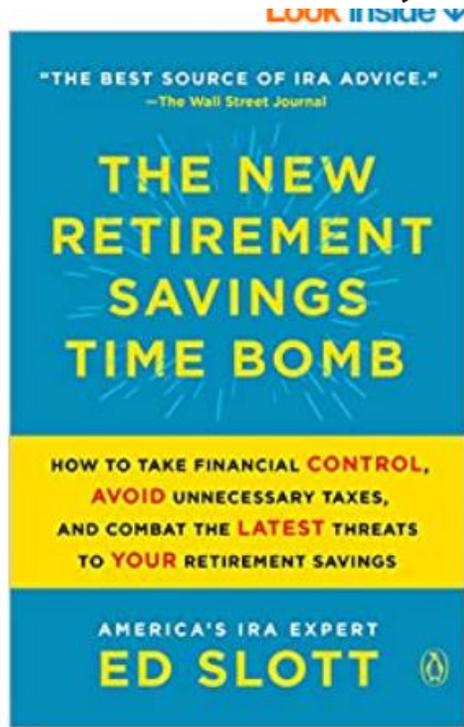


<https://www.youtube.com/watch?v=pVw4KhJm>

Time 27 and 45

1. Uncle Sam is not your uncle!
2. Zero is hero
3. Change from forever tax to NEVER tax
4. Always do Roth conversion at low tax bracket
5. Paying no tax is always better than paying tax
6. The compounding interest works for you if you understand it; and works against you if you don't
7. Traditional 401(K) is a ticking time bomb
8. Pay tax now!
9. Cash value life insurance is the single most tax efficient retirement vehicle in IRS tax code
10. Guaranteed tax-free income gives you a peaceful mind

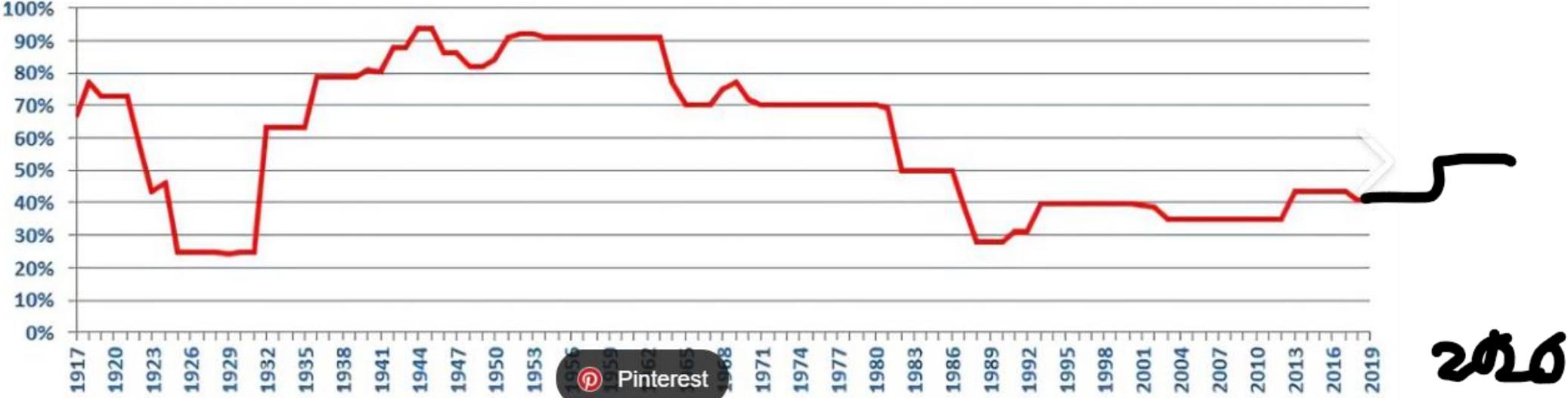
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Federal Income Tax Rate (1920-2020)



Top Federal Tax Rates



What is the best time for Roth conversion?



S&P 500 Index

Index: INX

3,786.99 ▲ 1,237.72 (48.55%) past 5 years

October 4, 12:37 PM EDT · Market Open

Day

Week

Month

Year

5 Year

Max



High	3789.49	Open	3726.46	52wk High	4818.62
Low	3726.46	Vol	1.32 B	52wk Low	3584.13

U.S. National Debt Bomb (1997-2022)

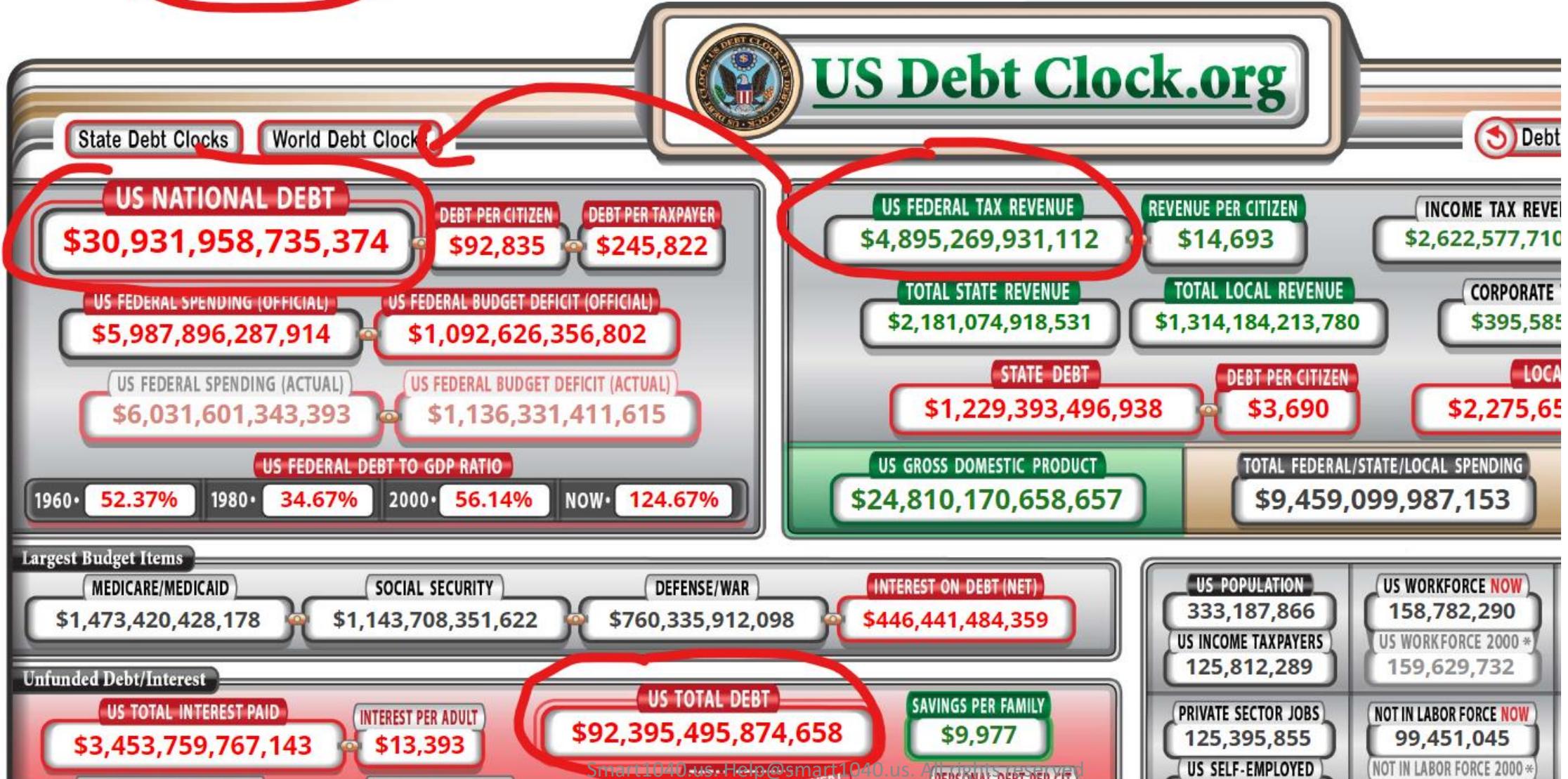


1997	\$5,413	63%	
1998	\$5,526	60%	LTCM crisis and recession
1999	\$5,656	58%	Glass-Steagall repealed
2000	\$5,674	55%	Budget surplus
2001	\$5,807	55%	9/11 attacks and EGTRRA
2002	\$6,228	57%	War on Terror
2003	\$6,783	59%	JGTRRA and Iraq War
2004	\$7,379	60%	Iraq War
2005	\$7,933	61%	Bankruptcy Act and Hurricane Katrina.

2011	\$14,790	95%	Debt crisis, recession and tax cuts reduced revenue
2012	\$16,066	99%	Fiscal cliff
2013	\$16,738	99%	Sequester, government shutdown
2014	\$17,824	101%	QE ended, debt ceiling crisis
2015	\$18,151	100%	Oil prices fell
2016	\$19,573	105%	Brexit
2017	\$20,245	104%	Congress raised the debt ceiling
2018	\$21,516	105%	Trump tax cuts
2019	\$22,719	107%	Trade wars
2020	\$27,748	129%	COVID-19 and 2020 recession
2021	\$29,617	124%	COVID-19 and American Rescue Plan Act

U.S. National Debt Bomb (10/3/2022)

https://usdebtclock.org



Ten Rules of Tax Free Retirement

Number	Principle
1	US tax law is written with pencils
2	If you set it and forget it, you will ultimately regret it
3	Multiple sources of retirement income are weather proof
4	It is a misnomer to retire or die debt free
5	If you have a rock solid fixed income streams (such as whole life insurance policy loan, social security distribution, gov pension or Roth IRA annuity) then other investment can be aggressive and progressive
6	It is critical to manage and rebalance your retirement account post retirement age
7	Life cycle 401(k)/IRA investment may not be a wise choice - an unconventional wisdom
8	If this is too good to be true, then it is NOT true
9	Avoid stubbornness, close mindset or anchoring syndrome in your senior age
10	Do not idolize our IRA or 401(K) balance
Bonus	Read Bible everyday: Death is an inevitable life event. See through the death in a biblical way

Social Security Benefit

Social Security Calculator

DETAILS

Birth Year

1969

Annual Income

\$ 150,000

Retirement Age

66

Marital Status

Single Married

You will receive **\$48,072** in annual social security payments starting at age **66**

● My Benefit Amount

You get more or less social security depending on what age you choose to begin receiving benefits.

Social Security Benefits if you begin claiming at age: **62**

\$35,919

Social Security Benefits if you begin claiming at age: **66**

\$48,072

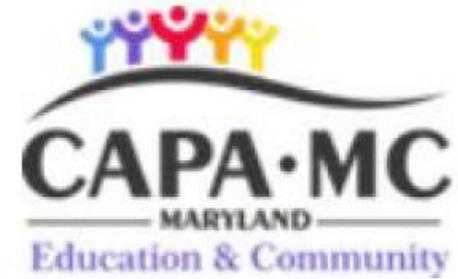
Social Security Benefits if you begin claiming at age: **70**

\$64,342

The annual
the age at

Next Steps: Planning for retirement can be overwhelming, so we designed a tool to

Social Security Benefit Tax



Single	Married, Filing Jointly	% of Benefits are Taxable
\$0 - \$25K	\$0 - \$32K	0%
Above \$25K	Above \$32K	50%
Above \$34K	Above \$44K	85%

37 states will tax you at state level on SS benefits

Timing strategy for hi-low income couple

Social Security Benefit Tax



What is in Provisional Income	What is out
Wage (W-2)	Withdrawal from Roth IRA/401K/403b/annuity
Required Min Distribution from Traditional IRA/401k	Loan from WL/IUL insurance policies
Roth conversion \$	Health Savings Account distribution
1099 (Div, int, cap gain)	Loan from home equity
Municipal interest income	Loan from securities backed line of credit
Rental income	
Social security benefits (50%)	



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Taxability of Social Security Benefits Example 1

	Filing Jointly with Traditional IRA Income
Annual Income:	
- Interest income	\$1,000
- Dividend income	\$10,000
- Tax-free bond interest income	\$4,000
- IRA income	\$30,000
- Social Security benefits*	\$30,000*
- Total income	\$75,000

Smart1040.us. Help@smart1040.us. All rights reserved. **Provisional Income for determining the tax on benefits: \$60,000**



Social Security Benefit Tax

https://www.irs.gov/pub/irs-pdf/p915.pdf

of 33



Page view



Read aloud



Add text

muni

Worksheet A. A Quick Way To Check if Your Benefits May Be Taxable

Note. If you plan to file a joint income tax return, include your spouse's amounts, if any, on lines A, B, C, and D.

A. Enter the total amount from **box 5** of **ALL** your **Forms SSA-1099** and **RRB-1099**. Include the full amount of any lump-sum benefit payments received in 2021, for 2021 and earlier years. (If you received more than one form, combine the amounts from box 5 and enter the total.) A. _____

Note. If the amount on line A is zero or less, stop here; none of your benefits are taxable this year.

B. Multiply line A by 50% (0.50) B. _____

C. Enter your total income that is taxable (excluding line A), such as pensions, wages, interest, ordinary dividends, and capital gain distributions. Don't reduce your income by any deductions, exclusions (listed earlier), or exemptions C. _____

D. Enter any tax-exempt interest income, such as interest on municipal bonds D. _____

E. Add lines B, C, and D E. _____

Note. Compare the amount on line E to your **base amount** for your filing status. If the amount on line E equals or is less than the **base amount** for your filing status, none of your benefits are taxable this year. If the amount on line E is more than your **base amount**, some of your benefits may be taxable. You need to complete [Worksheet 1](#). If none of your benefits are taxable, but you otherwise must file a tax return, see [Benefits not taxable](#), later, under *How To Report Your Benefits*.

Example. You and your spouse (both over 65) are filing a joint return for 2021 and you both received social security



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Biden Tax Return 2021



Form **1040** Department of the Treasury - Internal Revenue Service (99) **2021** OMB No. 1545-0074 IRS Use Only - Do not write or staple in this space.

U.S. Individual Income Tax Return

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying widow(er) (QW)
Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent ▶

Your first name and middle initial JOSEPH R.		Last name BIDEN JR.	Your social security number
If joint return, spouse's first name and middle initial JILL T.		Last name BIDEN	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apt. no.

City, town, or post office. If you have a foreign address, also complete spaces below. State ZIP code

Foreign country name Foreign province/state/county Foreign postal code

Presidential Election Campaign
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.
 You Spouse

At any time during 2021, did you receive, sell, exchange, or otherwise dispose of any financial interest in any virtual currency? Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1957 Are blind **Spouse:** Was born before January 2, 1957 Is blind

Dependents (see instructions):		(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see instructions):	
(1) First name	Last name			Child tax credit	Credit for other dependents

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Social Security Benefit Tax Trump Tax Return 2020??



TRUMP. president

here ▶

2021

Education & Commu

Attach Sch. B if required.	1	Wages, salaries, tips, etc. Attach Form(s) W-2.....	STMT...1...	1	[REDACTED]	
	2a	Tax-exempt interest	2a	b Taxable interest	2b	[REDACTED]
Standard Deduction for -	3a	Qualified dividends	3a	b Ordinary dividends	3b	[REDACTED]
	4a	IRA distributions	4a	b Taxable amount	4b	[REDACTED]
• Single or Married filing separately, \$12,550	5a	Pensions and annuities	5a	b Taxable amount	5b	[REDACTED]
• Married filing jointly or Qualifying widow(er), \$25,100	6a	Social security benefits	6a	b Taxable amount	6b	[REDACTED]
• Head of household, \$18,800	7	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ <input type="checkbox"/>		7	[REDACTED]	
• If you checked any box under Standard Deduction, see instructions.	8	Other income from Schedule 1, line 10.....		8	61,885.	
	9	Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income ▶		9	[REDACTED]	
	10	Adjustments to income from Schedule 1, line 26		10	[REDACTED]	
	11	Subtract line 10 from line 9. This is your adjusted gross income ▶		11	616,782.	
	12a	Standard deduction or itemized deductions (from Schedule A) 12a	[REDACTED]			
	b	Charitable contributions if you take the standard deduction (see instr.) ... 12b	[REDACTED]			
	c	Add lines 12a and 12b		12c	[REDACTED]	
	13	Qualified business income deduction from Form 8995 or Form 8995-A		13	[REDACTED]	
	14	Add lines 12c and 13		14	427,250.	
	15	Taxable income. Subtract line 14 from line 11. If zero or less, enter -0-		15	[REDACTED]	

O
G
Z & K
Q

Traditional IRA/401 RMD Table



IRA required minimum distribution (RMD) table

Age of retiree	Distribution period (in years)	Age of retiree	Distribution period (in years)
72	27.4	97	7.8
73	26.5	98	7.3
74	25.5	99	6.8
75	24.6	100	6.4
76	23.7	101	6.0
77	22.9	102	5.6
78	22.0	103	5.2
79	21.1	104	4.9
80	20.2	105	4.6
81	19.4	106	4.3
82	18.5	107	4.1
83	17.7	108	3.9
84	16.8	109	3.7
85	16.0	110	3.5
86	15.2	111	3.4
87	14.4	112	3.3
88	13.7	113	3.1
89	12.9	114	3.0
90	12.2	115	2.9
91	11.5	116	2.8
92	10.8	117	2.7

How to Plan for Taxes in Retirement
<https://youtu.be/i1yX2ICBQYE>



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1040 SR



Filing Status	Age/Blindness checked boxes	Standard deduction
Single	1	\$14,250
	2	\$15,950
Married, filing jointly	1	\$26,450
	2	\$27,800
	3	\$29,150
	4	\$30,500
Qualifying widow(er)	1	\$26,450
	2	\$27,800

Rate	Taxable Income	
	Unmarried	Married
10%	0 – \$9,700	0 – \$19,400
12%	\$9,701 – \$39,475	\$19,401 – \$78,950
22%	\$39,476 – \$84,200	\$78,951 – \$168,400
24%	\$84,201 – \$160,725	\$168,401 – \$321,450
32%	\$160,726 – \$204,100	\$321,451 – \$408,200
35%	\$204,101 – \$510,300	\$408,201 – \$612,350
37%	\$510,301 +	\$612,351 +





Who is Responsible?

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA
 10 Hudson Yards
 New York, NY 10001
 1-888-482-7342

My New York Life and Guardian Policy Guaranteed Rate

Policy Summary for: MIN NIE MALE AGE 51
 Policy Number: 4659170

STATEMENT OF POLICY COST AND BENEFIT INFORMATION Paid-up at Age 95

Additional Policy Information

Policy Number: 27 827 761

State of Issue: VA

Cash Value Rate: 4%

Policy Reinstatement Rate: 6%

Attained Age 100 Loan Interest Rate: 4%

Note: On or after the Scheduled Paid-Up Date, the policy loan interest rate in the Policy Loan Interest Rate provision under the Loans section. In this i Service Office to find out the rate available to you before taking a policy lo than the maximum interest rate set forth in the Loans section.

BASIC POLICY

Policy Year	Annual Premium	Guaranteed Death Benefit	Guaranteed Cash Value End Of Year +	Annual Dividend End of Year
1	\$6,000.02	\$206,150.00	\$191.72	\$0
2	\$6,000.02	\$206,150.00	\$4,590.96	\$1,525
3	\$6,000.02	\$206,150.00	\$8,412.98	\$1,556
4	\$6,000.02	\$206,150.00	\$12,352.51	\$1,533
5	\$6,000.02	\$206,150.00	\$16,405.42	\$1,564
10	\$6,000.02	\$206,150.00	\$38,341.84	\$1,825
15	\$6,000.02	\$206,150.00	\$59,317.60	\$2,394
20	\$6,000.02	\$206,150.00	\$81,717.86	\$3,425
@ AGE 75	\$6,000.02	\$206,150.00	\$100,809.41	\$3,939
@ AGE 80	\$6,000.02	\$206,150.00	\$124,302.27	\$4,588

+ Guaranteed cash values as shown on this policy summary are only available if all premiums are paid when due. The rate of interest underlying the computation of these guarantees is 4%.

Retire with Purpose, Passion and Peace



1. Use RMD to pay fund grandma 529
2. Use retirement money to gift to grandchildren to invest in UTMA account
3. Use money to buy cash value life insurance for children and grandchildren
4. Use HSA draw to pay long term care expenses
5. Donate money to your family foundation
6. Lead your grandchildren to travel and to donate
7. Build a family trust bank to provide purpose loan to your grandchildren (business, law school)
8. Write a book about your life and proceeds donate to family foundation
9. Set up a family trust to hold family members together and stronger
10. Make a charity trust to donate your assets after your life

