AI RETIREMENT INCOME PLANNER

Worked example — bridge funded from cash + brokerage

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Currency	**USD**	Filing status	**Single**
Residence	**United States**	Retirement start age	**62**
Plan horizon	**Age 90**		

Headline metrics

TOTAL STARTING WEALTH
$605,000

AVERAGE NET INCOME
$5,298/mo

PROJECTED ENDING WEALTH (AGE 90)
$173,746

LIFETIME FEDERAL TAX TO AGE 90
$88,347

CONFIDENCE SCORE
78/100
Viable · 6/9 checks ✓

✨ **PLAN IN PLAIN ENGLISH — AI-GENERATED COMMENTARY**

Starting at age 62 with $605,000 total wealth, this plan projects net income averaging $5,298/month across five phases through age 90, with portfolio drawdowns offsetting income dips in phase 2. Ending wealth reaches $173,746 by age 90, supported by a 78/100 confidence score reflecting strong foundational resilience.

Phase-by-phase plan

Phase 1 — ages 62–65 · 36 months

401k withdrawal	$1,200/mo
Cash withdrawal	$1,400/mo
Equity withdrawal	$3,000/mo
Gross income	**$5,600/mo**
Federal tax	−$140/mo
ACA premium est.	−$159/mo
MAGI headroom to 250% FPL Silver-CSR ceiling	$7,552
Net income (nominal)	**$5,301/mo**
in today's money	$5,071/mo

Ending balances — 401k: $420,596 · Cash: $13,876 · Equity: $70,141 · Roth: $24,659

Phase 2 — ages 65–67 · 24 months

401k withdrawal	$2,200/mo
Cash withdrawal	$500/mo
Equity withdrawal	$1,800/mo
Gross income	**$4,500/mo**
Federal tax	−$178/mo
ACA premium est.	−$197/mo
⚠ MAGI headroom (near cliff)	$3,055 below 250% FPL Silver-CSR ceiling
Net income (nominal)	**$4,125/mo**
in today's money	$3,665/mo

Ending balances — 401k: $427,105 · Cash: $2,514 · Equity: $37,995 · Roth: $28,353

Phase 3 — ages 67–73 · 72 months

401k withdrawal	$3,500/mo
Equity withdrawal	$400/mo
US Social Security	$2,562/mo
Gross income	**$6,462/mo**
Federal tax	−$474/mo
Medicare Part B est.	−$234/mo
Net income (nominal)	**$5,694/mo**
in today's money	$4,495/mo

Ending balances — 401k: $337,181 · Cash: $3,147 · Equity: $29,815 · Roth: $43,099

Phase 4 — ages 73–80 · 84 months

401k withdrawal	$3,500/mo
Equity withdrawal	$400/mo
US Social Security	$3,028/mo
Gross income	**$6,928/mo**
Federal tax	−$470/mo
Medicare Part B est.	−$284/mo
Net income (nominal)	**$6,102/mo**
in today's money	$3,975/mo

Ending balances — 401k: $171,607 · Cash: $4,090 · Equity: $11,485 · Roth: $70,251

Phase 5 — ages 80–90 · 120 months

401k withdrawal	$1,900/mo
Equity withdrawal	$100/mo
US Social Security	$3,771/mo
Gross income	**$5,771/mo**
Federal tax	−$45/mo
Medicare Part B est.	−$365/mo
Net income (nominal)	**$5,268/mo**
in today's money	$2,669/mo

Ending balances — 401k: $16,012 · Cash: $5,947 · Equity: $10,607 · Roth: $141,180

Balance trajectory

Projected account balances at the end of each phase, based on your withdrawal strategy and growth assumptions. A zero balance in an income-producing phase is flagged — see notes below.

PHASE	401K	CASH	EQUITY	ROTH	TOTAL
Starting (age 62)	$380,000	$60,000	$145,000	$20,000	$605,000
Phase 1 (ages 62–65)	$420,596	$13,876	$70,141	$24,659	$529,271
Phase 2 (ages 65–67)	$427,105	$2,514	$37,995	$28,353	$495,966
Phase 3 (ages 67–73)	$337,181	$3,147	$29,815	$43,099	$413,242
Phase 4 (ages 73–80)	$171,607	$4,090	$11,485	$70,251	$257,434
Phase 5 (ages 80–90)	**$16,012**	**$5,947**	**$10,607**	**$141,180**	**$173,746**

Asset allocation

Portfolio composition at plan start vs. end (age 90). This is a high-level account-mix view, not a holdings-level rebalancing analysis — the planner does not track individual funds.

BY ACCOUNT TYPE (START → END)

401k	**63% → 9%**
Cash	**10% → 3%**
Equity	**24% → 6%**
Roth	**3% → 81%**

BY TAX TREATMENT (START → END)

Tax-deferred (401k/Super)	**63% → 9%**
Taxable accounts (cash + equity)	**34% → 10%**
Tax-free (Roth)	**3% → 81%**

You hold a healthy mix across tax treatments — tax-free Roth assets give the surviving spouse and your heirs valuable flexibility.

Balance & legacy considerations

✓ **Healthy Roth balance at plan end**

$141,180 in the Roth at age 90 is a tax-free legacy asset — heirs inherit it income-tax-free, and it carries no RMD obligation during your lifetime. This is one of the most tax-efficient assets to pass on.

> ✨ **AI COMMENTARY**
>
> *Roth balance grows steadily from $24,659 at age 65 to $141,180 by age 90, reflecting tax-efficient accumulation in later phases. This residual provides a tax-free legacy asset and demonstrates successful Roth positioning in the plan.*

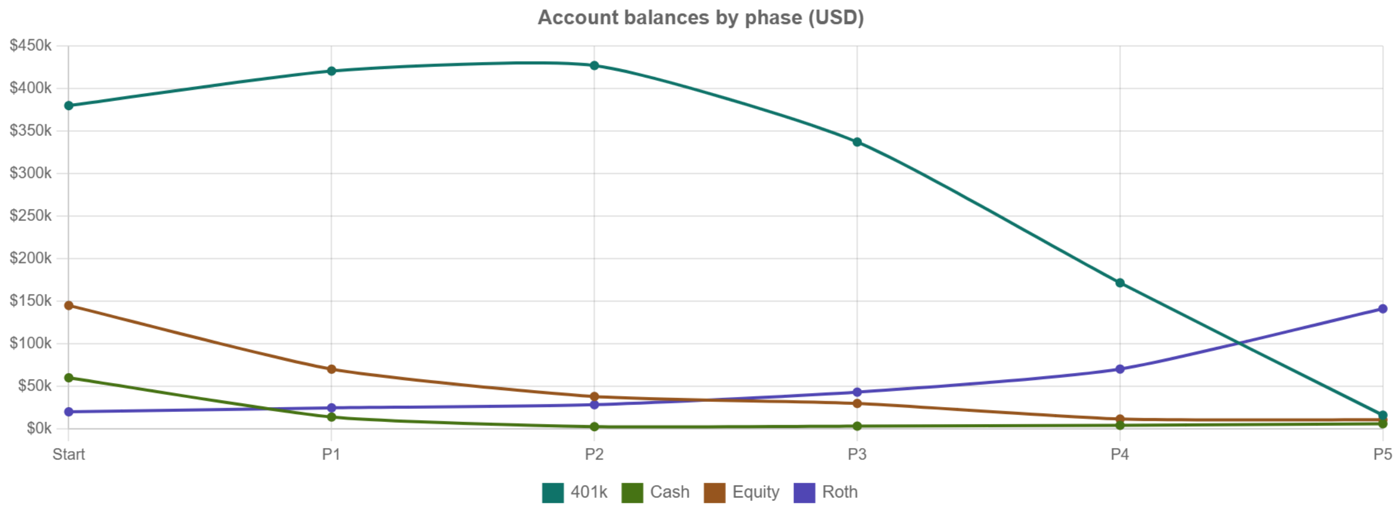
⚠ Low cash liquidity at end of plan

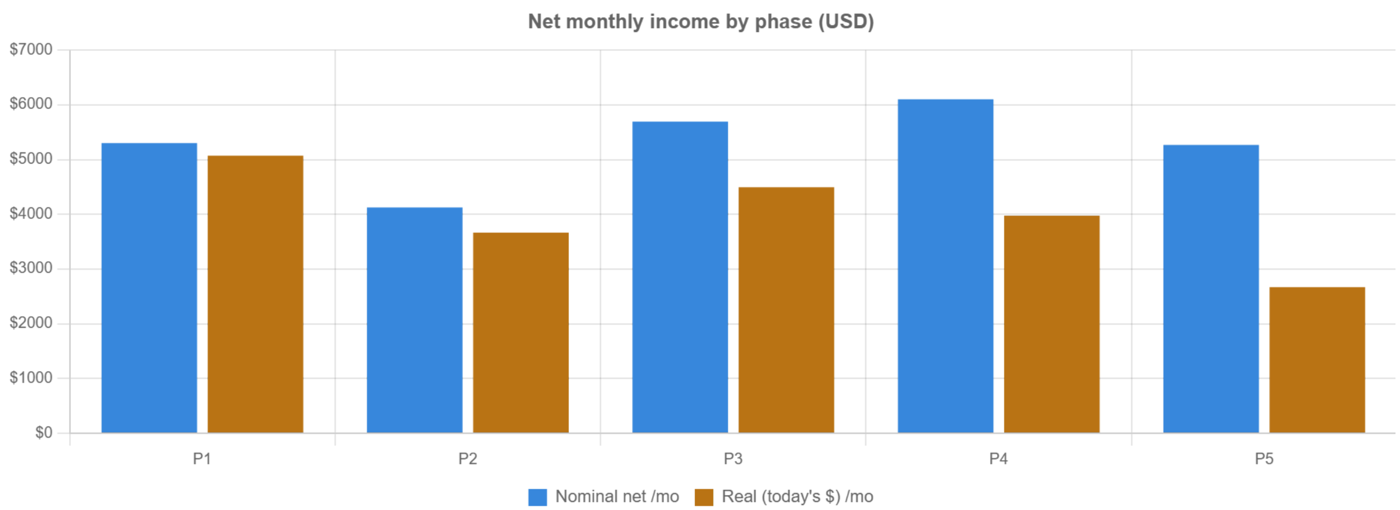
Only $5,947 in cash remains at plan end (age 90). While total wealth of $173,746 looks healthy, most of it is in less-liquid accounts (401k, equity). Late-retirement unexpected costs — care, home modification, health events — typically require quick access. Maintaining a minimum cash buffer of 6–12 months' expenses is generally advisable.

> ✨ **AI COMMENTARY**
>
> *Cash reserves decline from $13,876 at age 65 to $5,947 by age 90. At the plan's end, this represents minimal liquidity cushion for unexpected expense or market timing adjustments in the final years.*

Portfolio charts

Visual summary of how your account balances and net income evolve across the plan.





Plan strengths

Confidence 78/100 — Viable. One resilience gap worth closing: Income Floor Foundation. 6 of 9 applicable checks are passing. Checks are tiered by importance (Essential, Recommended, Optimization, Optional) — a plan can be complete without every check green; the items below are working in your favour:

✓ Income Adequacy ESSENTIAL

All phases show positive income and real purchasing power remains above 50% of the starting phase.

> ✨ **AI COMMENTARY**
>
> *All five phases maintain positive net income with real purchasing power staying above 50% of phase 1 levels ($5,071/month real). Even phase 2's dip to $3,665/month real sustains adequate living standards across the full 28-year horizon.*

✓ Tax Bracket Efficiency OPTIMIZATION

All phases keep taxable income within efficient bracket territory.

> ✨ **AI COMMENTARY**
>
> *Income across all phases remains positioned within efficient tax brackets, avoiding bracket creep and excess withholding. This alignment preserves more of each dollar earned throughout the plan.*

✓ ACA Subsidy Protected OPTIMIZATION

ACA subsidies are protected across all pre-Medicare phases — MAGI sits between 100% and 400% FPL, within the 250% Silver-CSR ceiling.

> ✨ **AI COMMENTARY**
>
> *Modified adjusted gross income (MAGI) stays between 100% and 400% of federal poverty line across pre-Medicare phases, within the 250% Silver-CSR ceiling. This protects ACA subsidies and cost-sharing reductions during ages 62–65.*

✓ IRMAA Not Triggered OPTIMIZATION

MAGI stays below IRMAA thresholds in all phases — no Medicare surcharges triggered.

> ✨ **AI COMMENTARY**
>
> *MAGI remains below IRMAA thresholds (Medicare income-related monthly adjustment amount surcharges) throughout all phases. No Medicare premium surcharges are triggered by income in this plan.*

✓ Portfolio Survives to End ESSENTIAL

Portfolio balances remain healthy through all phases.

> ✨ **AI COMMENTARY**
>
> *Total portfolio balances decline steadily from $605,000 to $173,746 by age 90 without depletion. All four account types (401k, cash, equity, Roth) remain solvent across the full 28-year timespan.*

✓ RMD Compliance RECOMMENDED

No RMD shortfall detected — withdrawals meet required minimum distribution rules.

> ✨ **AI COMMENTARY**
>
> *Withdrawals across all phases meet required minimum distribution (RMD) rules by age 73 onward. No shortfall or penalty exposure exists from failing to withdraw legally mandated amounts.*

Top risks

⚠ Income Floor Foundation RECOMMENDED

Guaranteed floor covers 45% of average income — a reasonable foundation, but the portfolio still funds the majority. Delaying SS claiming is the easiest way to strengthen this.

> ✨ **AI COMMENTARY**

Guaranteed income sources cover only 45% of the average $5,298/month income need. The portfolio funds the remaining 55%, creating dependence on portfolio longevity. Claiming delay is the primary lever to strengthen this floor.

✗ Stress Test Resilient RECOMMENDED

The accounts you actually withdraw from deplete before target age under bear conditions (−3% returns, 5% inflation). Consider a larger cash buffer, lower early withdrawals, delayed SS, or planned withdrawals from currently-idle accounts (e.g. Roth/Super).

> ✨ **AI COMMENTARY**
>
> *Under bear-market conditions (−3% returns, 5% inflation), the accounts being withdrawn from deplete before age 90. Current withdrawal sequencing does not absorb this stress without either larger cash buffers, lower early phase withdrawals, or delayed claiming.*

⚠ CSR / Subsidy Headroom OPTIMIZATION

1 phase sits just under the 250% FPL Silver-CSR ceiling — as little as $3,055 of MAGI headroom. Unexpected income (qualified/ordinary dividends, interest, year-end fund capital-gains distributions) could push you over and forfeit cost-sharing or the premium subsidy. Estimate that income in the per-phase Rental, div. & passive income field so your MAGI — and your CSR/ACA/IRMAA position — is accurate.

> ✨ **AI COMMENTARY**
>
> *One phase sits just under the 250% FPL Silver-CSR ceiling with only $3,055 of MAGI headroom remaining. Unexpected passive income (dividends, interest, year-end distributions) risks pushing MAGI over the cliff and forfeiting ACA subsidies.*

Recommended next actions

1. Build resilience to bear-market scenarios: larger cash buffer, lower early withdrawals, or planned access to currently-untouched accounts.

2. Strengthen guaranteed income — delay SS claiming to 70 for a larger lifetime cheque, or model a fixed annuity using the Annuity Calculator tab.

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3. CSR / Subsidy Headroom: 1 phase sits just under the 250% FPL Silver-CSR ceiling — as little as $3,055 of MAGI headroom. Unexpected income (qualified/ordinary dividends, interest, year-end fund capital-gains distributions) could push you over and forfeit cost-sharing or the premium subsidy. Estimate that income in the per-phase Rental, div. & passive income field so your MAGI — and your CSR/ACA/IRMAA position — is accurate.

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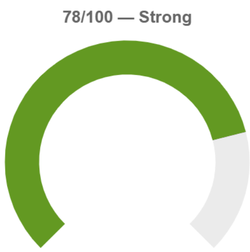
4. Consider Roth conversions in low-income years. You have a Roth balance but no conversions scheduled — converting during lower-bracket phases moves money to tax-free for life at minimal cost.

Plan resilience

How the plan holds up under uncertainty — random return sequences (Monte Carlo) and combined inflation / return stress scenarios. These are scenario analyses, not guarantees.

CONFIDENCE SUMMARY



78/100 Strong

Viable — One resilience gap worth closing: Income Floor Foundation.

Your plan passes **6 of 9** Plan Health checks (2 warnings). In Monte Carlo it stays solvent in **100%** of randomized runs to age 90. Against real market history it survived **71 of 71** retirements since 1928 (**100%**); the toughest start year was 1930. Main thing to watch: **Stress Test Resilient**.

Three independent lenses — a Plan Health checklist, a random Monte Carlo simulation, and a replay against real market history — viewed together. Agreement across all three is a stronger signal than any one alone. The 0–100 score is an educational estimate, not a guarantee; because checks are tiered by importance, a plan can be complete without every check green.

MONTE CARLO SIMULATION

Across **500** randomized simulations to age 90, your plan ended solvent (money still remaining) in **100%** of runs — a strong result.

PROBABILITY SOLVENT **100%**	WORST 10% (P10) AT 90 **$54,122**
MEDIAN (P50) AT 90 **$795,777**	BEST 10% (P90) AT 90 **$6,535,936**

Each simulation draws annual returns for each account from a normal distribution around your assumed rates, and applies your cash lump-sum events (windfalls in / one-time expenses out). Because the simulation is random, this percentage may vary by a point or two between reports.

STRESS TEST — 12 COMBINED SCENARIOS

Real (today's money) net monthly income and ending portfolio at age 90, across four inflation levels × three return outcomes. Blue = your base case; red = portfolio depleted before plan end.

	Bear (−3%)	Base returns	Bull (+3%)
Low inflation (2%)	$3,914/mo $61,183	$4,352/mo $173,746	$4,345/mo $2,474,631
Base inflation (3%)	$3,606/mo $61,183	$3,975/mo $173,746	$3,969/mo $2,474,631
High inflation (5%)	$3,105/mo $61,183	$3,376/mo $173,746	$3,361/mo $2,474,631
Very high inflation (8%)	$2,564/mo $61,183	$2,736/mo $173,746	$2,732/mo $2,474,631

HISTORICAL BACKTEST

Replayed against every overlapping 28-year period of actual US market returns since 1928 (data through 2025; growth buckets 60% stocks / 40% bonds), the plan stayed solvent in **100%** of historical retirements (71 of 71). The toughest start year was **1930** (ended $113,102); median ending balance $978,159.

Historical returns replay the actual sequence of past markets (Damodaran/NYU Stern) — a complement to the Monte Carlo above, not a guarantee of future results.

Key assumptions

INVESTMENT RETURNS

401k annual growth	**7.0%**
Cash annual growth	**3.8%**
Equity annual growth	**10.0%**
Roth annual growth	**7.0%**

INFLATION & PENSION GROWTH

General inflation	**3.0%/yr**
US SS COLA	**2.6%/yr**

TAX PARAMETERS (CURRENT VALUES)

Standard deduction (single)	**$15,000**
Age 65+ additional deduction	**$2,050**
12% bracket ceiling (single)	**$49,000**
22% bracket ceiling (single)	**$104,000**
IRMAA threshold (single)	**$109,000**
ACA 400% FPL cliff (single)	**$60,240**
Medicare Part B / D est.	**$185/mo / $47/mo**
IRMAA Tier-1 surcharge (if triggered)	**$88/mo**
NIIT threshold (single)	**$200,000**

PHASE BOUNDARIES

Phase 1 ends → Phase 2 starts	**Age 65**
Phase 2 ends → Phase 3 starts	**Age 67**
Phase 3 ends → Phase 4 starts	**Age 73**

Phase 4 ends → Phase 5 starts	**Age 80**
Phase 5 ends	**Age 90**

SOCIAL SECURITY

Claiming age	**67**
Monthly amount	**$2,400/mo**

How Phase 1 was calculated

Age 62–65 · every figure below is the working behind this phase's card, in USD.

INFLATING THE TAX THRESHOLDS TO THIS PHASE

Phase midpoint age	**63.5**
Years from the start of the plan	**1.5**
Inflation rate	**3.00%**
Inflation multiplier	**×1.045**
Approximate calendar year	**2028**
10% bracket ceiling (from $12,400)	**$12,962/yr**
12% bracket ceiling (from $49,000)	**$51,221/yr**
22% bracket ceiling (from $104,000)	**$108,715/yr**
Standard deduction (from $15,000)	**$15,680/yr**
IRMAA threshold (from $109,000)	**$113,942/yr**
100% federal poverty level (from $15,060)	**$15,743/yr**
400% FPL (ACA cliff) (from $60,240)	**$62,971/yr**

WHAT COUNTS AS TAXABLE INCOME

401k withdrawals	**$14,400/yr**
Taxable equity gains	**$17,405/yr**
= gross taxable income	**$31,805/yr**

FROM GROSS INCOME TO TAXABLE INCOME

Gross taxable income	**$31,805/yr**
– standard deduction	**–$15,680/yr**
= taxable income	**$16,125/yr**

FEDERAL INCOME TAX, BRACKET BY BRACKET

10% on the first $12,962	**$1,296/yr**
12% on the next $3,163	**$380/yr**
= total federal tax	**$1,676/yr**

WHAT GOES INTO YOUR MAGI

401k withdrawals	**$14,400/yr**
Taxable equity gains	**$17,405/yr**
= MAGI for the ACA	**$31,805/yr**
= MAGI for IRMAA	**$31,805/yr**

Roth and cash withdrawals — Neither counts toward MAGI — this is the main lever for controlling ACA cost and IRMAA.

HOW YOUR ACA PREMIUM IS ESTIMATED

Your MAGI	**$31,805/yr**
400% FPL subsidy cliff	**$62,971/yr**
as a share of the poverty level (of $15,743)	**202.03%**
Premium capped at this share of income	**6.00%**
= estimated premium	**$159/mo**

WHAT YOU ASKED FOR VS WHAT THE ACCOUNTS COULD SUPPLY

401k — you set	**$1,200/mo**
Cash — you set	**$1,400/mo**
Equity — you set	**$3,000/mo**

FROM GROSS INCOME TO WHAT YOU KEEP

Total income	**$5,600/mo**
– income tax	**–$140/mo**
– healthcare	**–$159/mo**

= net income	**$5,301/mo**
= in today's money	**$5,071/mo**

How Phase 2 was calculated

Age 65–67 · every figure below is the working behind this phase's card, in USD.

INFLATING THE TAX THRESHOLDS TO THIS PHASE

Phase midpoint age	**66**
Years from the start of the plan	**4**
Inflation rate	**3.00%**
Inflation multiplier	**×1.126**
Approximate calendar year	**2030**
10% bracket ceiling (from $12,400)	**$13,956/yr**
12% bracket ceiling (from $49,000)	**$55,150/yr**
22% bracket ceiling (from $104,000)	**$117,053/yr**
Standard deduction (from $15,000)	**$16,883/yr**
IRMAA threshold (from $109,000)	**$122,680/yr**
100% federal poverty level (from $15,060)	**$16,950/yr**
400% FPL (ACA cliff) (from $60,240)	**$67,801/yr**

WHAT COUNTS AS TAXABLE INCOME

401k withdrawals	**$26,400/yr**
Taxable equity gains	**$12,920/yr**
= gross taxable income	**$39,320/yr**

FROM GROSS INCOME TO TAXABLE INCOME

Gross taxable income	**$39,320/yr**
– standard deduction	**−$16,883/yr**
– age-65 additional deduction	**−$2,307/yr**

= taxable income	**$20,130/yr**

FEDERAL INCOME TAX, BRACKET BY BRACKET

10% on the first $13,956	**$1,396/yr**
12% on the next $6,174	**$741/yr**
= total federal tax	**$2,136/yr**

WHAT GOES INTO YOUR MAGI

401k withdrawals	**$26,400/yr**
Taxable equity gains	**$12,920/yr**
= MAGI for the ACA	**$39,320/yr**
= MAGI for IRMAA	**$39,320/yr**

Roth and cash withdrawals — Neither counts toward MAGI — this is the main lever for controlling ACA cost and IRMAA.

HOW YOUR ACA PREMIUM IS ESTIMATED

Your MAGI	**$39,320/yr**
400% FPL subsidy cliff	**$67,801/yr**
as a share of the poverty level (of $16,950)	**231.98%**
Premium capped at this share of income	**6.00%**
= estimated premium	**$197/mo**

WHAT YOU ASKED FOR VS WHAT THE ACCOUNTS COULD SUPPLY

401k — you set	**$2,200/mo**
Cash — you set	**$500/mo**
Equity — you set	**$1,800/mo**

FROM GROSS INCOME TO WHAT YOU KEEP

Total income	**$4,500/mo**

– income tax	**–$178/mo**
– healthcare	**–$197/mo**
= net income	**$4,125/mo**
= in today's money	**$3,665/mo**

How Phase 3 was calculated

Age 67–73 · every figure below is the working behind this phase's card, in USD.

INFLATING THE TAX THRESHOLDS TO THIS PHASE

Phase midpoint age	**70**
Years from the start of the plan	**8**
Inflation rate	**3.00%**
Inflation multiplier	**×1.267**
Approximate calendar year	**2034**
10% bracket ceiling (from $12,400)	**$15,708/yr**
12% bracket ceiling (from $49,000)	**$62,072/yr**
22% bracket ceiling (from $104,000)	**$131,744/yr**
Standard deduction (from $15,000)	**$19,002/yr**
IRMAA threshold (from $109,000)	**$138,078/yr**
100% federal poverty level (from $15,060)	**$19,078/yr**
400% FPL (ACA cliff) (from $60,240)	**$76,310/yr**

WHAT COUNTS AS TAXABLE INCOME

401k withdrawals	**$42,000/yr**
Taxable Social Security (of $30,738)	**$26,127/yr**
Taxable equity gains	**$3,488/yr**
= gross taxable income	**$71,615/yr**

HOW MUCH OF YOUR SOCIAL SECURITY IS TAXABLE

Other ordinary income	**$45,488/yr**
+ half your Social Security	**$15,369/yr**

= provisional income	**$60,857/yr**
lower threshold	**$25,000/yr**

Fixed in statute — NOT inflation-indexed, so more of your SS becomes taxable over time.

upper threshold	**$34,000/yr**
= taxable Social Security	**$26,127/yr**
= share of SS that is taxable	**85.00%**

FROM GROSS INCOME TO TAXABLE INCOME

Gross taxable income	**$71,615/yr**
– standard deduction	**−$19,002/yr**
– age-65 additional deduction	**−$2,597/yr**
= taxable income	**$50,016/yr**

FEDERAL INCOME TAX, BRACKET BY BRACKET

10% on the first $15,708	**$1,571/yr**
12% on the next $34,308	**$4,117/yr**
= total federal tax	**$5,688/yr**

WHAT GOES INTO YOUR MAGI

401k withdrawals	**$42,000/yr**
Social Security (in FULL, not the taxable share)	**$30,738/yr**

MAGI counts all of your Social Security, even though only part of it is taxable income.

Taxable equity gains	**$3,488/yr**
= MAGI for the ACA	**$76,226/yr**
– the untaxed part of your Social Security (of $30,738)	**−$4,611/yr**

IRMAA reads your tax return, which contains only the taxable part of Social Security. The ACA adds the untaxed part back, so the two figures differ.

= MAGI for IRMAA	**$71,615/yr**

Roth and cash withdrawals — Neither counts toward MAGI — this is the main lever for controlling ACA cost and IRMAA.

HOW YOUR MEDICARE COST IS ESTIMATED

Part B premium (from $185)	**$234/mo**
Part D premium (from $47)	**$60/mo**
= healthcare before any surcharge	**$294/mo**
IRMAA MAGI from two years earlier	**$39,320/yr**
IRMAA threshold	**$138,078/yr**

No IRMAA surcharge — Your lookback MAGI stayed below the threshold, so you pay the standard premium.

WHAT YOU ASKED FOR VS WHAT THE ACCOUNTS COULD SUPPLY

401k — you set	**$3,500/mo**
Equity — you set	**$400/mo**

FROM GROSS INCOME TO WHAT YOU KEEP

Total income	**$6,462/mo**
– income tax	**–$474/mo**
– healthcare	**–$294/mo**
= net income	**$5,694/mo**
= in today’s money	**$4,495/mo**

How Phase 4 was calculated

Age 73–80 · every figure below is the working behind this phase's card, in USD.

INFLATING THE TAX THRESHOLDS TO THIS PHASE

Phase midpoint age	**76.5**
Years from the start of the plan	**14.5**
Inflation rate	**3.00%**
Inflation multiplier	**×1.535**
Approximate calendar year	**2041**
10% bracket ceiling (from $12,400)	**$19,035/yr**
12% bracket ceiling (from $49,000)	**$75,220/yr**
22% bracket ceiling (from $104,000)	**$159,652/yr**
Standard deduction (from $15,000)	**$23,027/yr**
IRMAA threshold (from $109,000)	**$167,327/yr**
100% federal poverty level (from $15,060)	**$23,119/yr**
400% FPL (ACA cliff) (from $60,240)	**$92,475/yr**

WHAT COUNTS AS TAXABLE INCOME

401k withdrawals	**$42,000/yr**
Taxable Social Security (of $36,332)	**$30,234/yr**
Taxable equity gains	**$4,109/yr**
= gross taxable income	**$76,344/yr**

HOW MUCH OF YOUR SOCIAL SECURITY IS TAXABLE

Other ordinary income	**$46,109/yr**
+ half your Social Security	**$18,166/yr**

= provisional income	**$64,275/yr**
lower threshold	**$25,000/yr**

Fixed in statute — NOT inflation-indexed, so more of your SS becomes taxable over time.

upper threshold	**$34,000/yr**
= taxable Social Security	**$30,234/yr**
= share of SS that is taxable	**83.22%**

FROM GROSS INCOME TO TAXABLE INCOME

Gross taxable income	**$76,344/yr**
– standard deduction	**–$23,027/yr**
– age-65 additional deduction	**–$3,147/yr**
= taxable income	**$50,170/yr**

FEDERAL INCOME TAX, BRACKET BY BRACKET

10% on the first $19,035	**$1,904/yr**
12% on the next $31,135	**$3,736/yr**
= total federal tax	**$5,640/yr**

WHAT GOES INTO YOUR MAGI

401k withdrawals	**$42,000/yr**
Social Security (in FULL, not the taxable share)	**$36,332/yr**

MAGI counts all of your Social Security, even though only part of it is taxable income.

Taxable equity gains	**$4,109/yr**
= MAGI for the ACA	**$82,442/yr**
– the untaxed part of your Social Security (of $36,332)	**–$6,098/yr**

IRMAA reads your tax return, which contains only the taxable part of Social Security. The ACA adds the untaxed part back, so the two figures differ.

= MAGI for IRMAA	**$76,344/yr**

Roth and cash withdrawals — Neither counts toward MAGI — this is the main lever for controlling ACA cost and IRMAA.

HOW YOUR MEDICARE COST IS ESTIMATED

Part B premium (from $185)	**$284/mo**
Part D premium (from $47)	**$72/mo**
= healthcare before any surcharge	**$356/mo**
IRMAA MAGI from two years earlier	**$71,615/yr**
IRMAA threshold	**$167,327/yr**

No IRMAA surcharge — Your lookback MAGI stayed below the threshold, so you pay the standard premium.

HOW YOUR REQUIRED MINIMUM DISTRIBUTION IS ESTIMATED

401k balance entering this phase	**$337,181**
RMD start age	**73**
Age used for the divisor	**73**
IRS Uniform Lifetime Table divisor	**26.5**
= required minimum distribution	**$1,060/mo**
Your achievable 401k draw	**$3,500/mo**

WHAT YOU ASKED FOR VS WHAT THE ACCOUNTS COULD SUPPLY

401k — you set	**$3,500/mo**
Equity — you set	**$400/mo**

FROM GROSS INCOME TO WHAT YOU KEEP

Total income	**$6,928/mo**
– income tax	**–$470/mo**
– healthcare	**–$356/mo**
= net income	**$6,102/mo**
= in today’s money	**$3,975/mo**

How Phase 5 was calculated

Age 80–90 · every figure below is the working behind this phase's card, in USD.

INFLATING THE TAX THRESHOLDS TO THIS PHASE

Phase midpoint age	**85**
Years from the start of the plan	**23**
Inflation rate	**3.00%**
Inflation multiplier	**×1.974**
Approximate calendar year	**2049**
10% bracket ceiling (from $12,400)	**$24,472/yr**
12% bracket ceiling (from $49,000)	**$96,706/yr**
22% bracket ceiling (from $104,000)	**$205,253/yr**
Standard deduction (from $15,000)	**$29,604/yr**
IRMAA threshold (from $109,000)	**$215,121/yr**
100% federal poverty level (from $15,060)	**$29,722/yr**
400% FPL (ACA cliff) (from $60,240)	**$118,889/yr**

WHAT COUNTS AS TAXABLE INCOME

401k withdrawals	**$22,800/yr**
Taxable Social Security (of $45,253)	**$15,168/yr**
Taxable equity gains	**$1,124/yr**
= gross taxable income	**$39,093/yr**

HOW MUCH OF YOUR SOCIAL SECURITY IS TAXABLE

Other ordinary income	**$23,924/yr**
+ half your Social Security	**$22,627/yr**

= provisional income	**$46,551/yr**
lower threshold	**$25,000/yr**

Fixed in statute — NOT inflation-indexed, so more of your SS becomes taxable over time.

upper threshold	**$34,000/yr**
= taxable Social Security	**$15,168/yr**
= share of SS that is taxable	**33.52%**

FROM GROSS INCOME TO TAXABLE INCOME

Gross taxable income	**$39,093/yr**
– standard deduction	**−$29,604/yr**
– age-65 additional deduction	**−$4,046/yr**
= taxable income	**$5,443/yr**

FEDERAL INCOME TAX, BRACKET BY BRACKET

10% on the first $5,443	**$544/yr**
= total federal tax	**$544/yr**

WHAT GOES INTO YOUR MAGI

401k withdrawals	**$22,800/yr**
Social Security (in FULL, not the taxable share)	**$45,253/yr**

MAGI counts all of your Social Security, even though only part of it is taxable income.

Taxable equity gains	**$1,124/yr**
= MAGI for the ACA	**$69,178/yr**
– the untaxed part of your Social Security (of $45,253)	**−$30,085/yr**

IRMAA reads your tax return, which contains only the taxable part of Social Security. The ACA adds the untaxed part back, so the two figures differ.

= MAGI for IRMAA	**$39,093/yr**

Roth and cash withdrawals — Neither counts toward MAGI — this is the main lever for controlling ACA cost and IRMAA.

HOW YOUR MEDICARE COST IS ESTIMATED

Part B premium (from $185)	**$365/mo**
Part D premium (from $47)	**$93/mo**
= healthcare before any surcharge	**$458/mo**
IRMAA MAGI from two years earlier	**$76,344/yr**
IRMAA threshold	**$215,121/yr**

No IRMAA surcharge — Your lookback MAGI stayed below the threshold, so you pay the standard premium.

HOW YOUR REQUIRED MINIMUM DISTRIBUTION IS ESTIMATED

401k balance entering this phase	**$171,607**
RMD start age	**73**
Age used for the divisor	**80**
IRS Uniform Lifetime Table divisor	**20.2**
= required minimum distribution	**$708/mo**
Your achievable 401k draw	**$1,900/mo**

WHAT YOU ASKED FOR VS WHAT THE ACCOUNTS COULD SUPPLY

401k — you set	**$1,900/mo**
Equity — you set	**$100/mo**

FROM GROSS INCOME TO WHAT YOU KEEP

Total income	**$5,771/mo**
– income tax	**–$45/mo**
– healthcare	**–$458/mo**
= net income	**$5,268/mo**
= in today’s money	**$2,669/mo**

Disclaimer

This document was generated by the **AI Retirement Income Planner v7** on 2026-08-15. It reflects the plan as configured on that date and the tax / threshold values stored at that time. Tax laws and FPL / IRMAA thresholds change annually — the figures in this document may be out of date as soon as the new tax year begins.

All numbers, balances, threshold comparisons, and Plan Health checks shown above are computed deterministically from the inputs you entered. They are **projections based on your assumptions** (investment returns, inflation, tax law continuity) and will differ from actual results, often significantly. Sequence-of-returns risk, legislative change, health events, and life choices not modelled here can all move outcomes materially.

The **Monte Carlo and stress-test results** are scenario analyses that illustrate a range of possible outcomes under randomised or adverse conditions — they are not predictions or guarantees. The Monte Carlo figure is computed from your plan inputs and is reproducible for a given plan; it updates when you change your inputs. The **asset-allocation** section is a high-level account-mix summary, not holdings-level rebalancing advice.

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