

Re: how to compare living standards

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- *From:* "Ron Peterson" <ron@xxxxxxxxxxxxxxxx>
 - *Date:* 18 Apr 2006 12:28:47 -0700
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William F Hummel wrote:

On Tue, 18 Apr 2006 12:58:45 -0500, "Jim Blair" <jeb@xxxxxxx> wrote:

I would like to live long enough to spend it all ;-).

That's no problem. The trick is to spend the last dollar on the day you die.

That's easily done by buying an annuity. For instance, a 70 year old mable can purchase a lifetime annuity of \$747/mo for \$100,000.

I suspect you mean the balance in the IRA (rather than the annual distribution) won't decline until then. The percentage you have to distribute grows each year. By age 95 it is over 50%. That's far more than the IRA balance will earn in a year.

My IRA has been growing too since I am withdrawing the minimum required each year. It is 100% in equities, so I have no way of figuring when the balance will decline. It all depends on how the stock market fares down the line.

It might be appropriate to convert the regular IRA to a Roth where there's no required minimum distribution. The only problem is paying the taxes for the conversion.

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Re: how to compare living standards

Ron

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