Taxes on retirement income can be complex, and clients expect help from financial professionals

Many respondents to the 2019 Nationwide Tax-Efficient Retirement Income Study\(^1\) sought understanding of how taxes may be affected when retirement income is drawn from multiple sources. Financial professionals have a role to play in creating withdrawal strategies that maximize tax efficiency.

**Fear of the unknown is common**

Almost 2 in 5 (38%) of future retirees agreed with the statement “I am terrified of what taxes will do to my retirement income”

- Despite this fear, nearly 2 in 5 (39%) of those surveyed rarely consider the taxes they are paying or will pay in retirement
- 1 in 5 (20%) of those surveyed currently get no tax planning advice

**Sources of retirement income have shifted**

Pensions are fading away, and employer plans are more common. This puts more responsibility on workers, and they want help navigating retirement income scenarios.

Less than half of those surveyed know how to leverage taxable, tax-deferred and tax-free accounts

Three-quarters of future retirees are interested in learning more about general tax planning

**Financial professionals can help clients gain control**

Despite 90% of survey respondents feeling that they are in control of their retirement planning, future retirees have concerns about taxes on retirement income.

42% of future retirees worry about understanding how various sources of retirement income are taxed

Nearly 2 of 3 future retirees are looking to a financial professional to help with tax planning

continued on back
Let's make a plan for tax-efficient retirement income.

Whether you are already retired or that date is yet to arrive, talk to your financial professional about whether your withdrawal strategy is tax efficient.

1 This online survey was conducted April 18 to May 7, 2019, to a targeted subset of the U.S. population: 1,301 U.S. adults age 50 or older who currently collect or plan to collect Social Security benefits, have at least $150,000 in investable assets and fall into one of the following groups: 10-year-plus retirees (n=426), recent retirees (n=440) and future retirees (n=435).

This information is general in nature and is not intended to be tax, legal, accounting or other professional advice. The information provided is based on current laws, which are subject to change at any time, and has not been endorsed by any government agency.

Nationwide Investment Services Corporation (NISC), member FINRA, Columbus, Ohio. Nationwide Retirement Institute is a division of NISC.

Nationwide, the Nationwide N and Eagle, Nationwide is on your side and Nationwide Retirement Institute are service marks of Nationwide Mutual Insurance Company. © 2019, 2020 Nationwide

NFM-18928AO1 (06/20)