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Property rich and portfolio poor is not a totally inaccurate way to describe the retirement plans of today's baby boomers.

The stock market bubble that burst several years ago, taking with it hopes of millionaire lifestyles in soon to be achieved retirement, has altered many retirement plans. But, thanks to changes in tax laws and our inherent wanderlust, that is not all bad.

Billy Joel wrote a smash hit, "Moving Out," in 1977 that is now a popular musical touring the country. The title could also be used to reflect the changes that have occurred in retirement planning as a result of stocks down, real estate up.

According to a recent article in Kiplinger's, 60 percent of boomers ages 44 to 56 plan to move to a new home in retirement.

That's up from just 31 percent of pre-retirees they interviewed just five years ago.

Unlike their parents and grandparents, today's boomers are not about to kick back in a rocking chair on the porch of the old family homestead where they were born, grew up, raised their family and now expect to pass on the family plot nearby.

Instead, they are carrying their active lifestyles and innate desires for the new and different into retirement, seeking out communities that offer opportunities to pursue other interests. And it is beginning to sink in that they will be living almost as long in retirement as they spent working, so it is making sense to look for more suitable digs.

The tax laws that allow married couples to take \$500,000 tax-free from a sale of a personal residence have made selling the family home and moving on particularly attractive.

For many, they can sell their home, buy a smaller, more manageable retirement home in a more attractive retirement setting, and pocket the gain, tax-free.

Easy access to inexpensive air transportation, cell phones, the Internet, instant message and digital cameras have made it possible to be miles away from family and friends, yet remain closely in touch. And, as my wife has discovered, shopping on the Internet gives her 24-hour-a-day access to her favorite shopping haunts from the comfort of her home. So why live anywhere near a big mall?

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Financially, having a paid-for home with some tax-free capital invested makes the diminished retirement savings plan a bit more tolerable.

The difference between housing prices in "working areas" such as Silicon Valley and many other areas of California, or inside the beltways of cities like Boston, Washington, D.C., and retirement communities in the Sun Belt or areas like Bellingham, Wash., Ashland, Ore., Park City, Utah, or Naples, Fla., makes this work.

Certain retirement havens have tax laws particularly favorable to retirees. Six states --- Alaska, Washington, Nevada, Florida, South Dakota and Texas --- have no state income tax. New Hampshire and Tennessee tax only interest and dividends. But, as Kiplinger's pointed out, income taxes should not be the sole reason for choosing a state.

It recently published a Tax Survey of total taxes that a household might be expected to pay in locations around the country. Taking into account property taxes, sales taxes, gasoline taxes and other local taxes, it found that the lack of a state income tax does not guarantee tax-free living. It found the least expensive total tax bills in Cheyenne, Wyo., and the most expensive tax bills in Bridgeport, Conn. However, states like Colorado, despite a moderate income tax, were relatively inexpensive with lower property, sales and gasoline taxes.

The Internet has made shopping for a possible retirement location and home much easier. Sites such as www.escapehomes.com and www.retirementliving.com provide valuable insights into communities, retirement lifestyles, and real estate availability for those interested in "Moving Out."

WALL ON THE STREET by Warren Wall

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