

RETIREMENT INCOME

Planning *checklist*

A practical walk-through for turning your savings into a dependable retirement paycheck — what to check, what to decide, and what to revisit each year.



Transitioning from a steady paycheck to a retirement paycheck is one of the most significant shifts you'll ever make. You're going from a state of constant replenishment to navigating how your savings translates into sustainable, monthly income. This checklist will help you organize your income streams, account for modern economic realities, and make sure your strategy is built for the long haul.

01 Social Security: maximizing the foundation

Social Security remains the bedrock of most retirement plans. With the 2026 Cost-of-Living Adjustment (COLA) now in effect, it's vital to make sure you're timing your benefits correctly.

- ☐ **Verify your COLA:** Check how the latest 2.8% increase affects your projected monthly benefit.¹
- ☐ **Run a "delay" analysis:** If you haven't claimed yet, calculate the 8% annual "raise" you receive for every year you wait beyond Full Retirement Age (FRA), up until age 70.
- ☐ **Coordinate spousal benefits:** Make sure you and your spouse have a joint strategy to maximize the survivor benefit, which is often overlooked.

02 Pensions and annuities: creating a guaranteed income floor

In an era of market volatility, having income that isn't tied to the S&P 500 provides real peace of mind. We call this your guaranteed income floor — the money that covers your non-negotiable fixed expenses.

- ☐ **Review pension payout options:** If you have a traditional pension, compare the "Life Only" payout against "Joint and Survivor" options.
- ☐ **Stress-test private pensions:** Check the health of your former employer's pension fund through the PBGC (Pension Benefit Guaranty Corporation).
- ☐ **Evaluate income annuities:** Consider whether a Fixed Index Annuity (FIA) or Single Premium Immediate Annuity (SPIA) makes sense to fill any gaps between your guaranteed income and your essential expenses.

03 Portfolio drawdown: making it last

The current financial landscape is unpredictable, so your withdrawal strategy needs to be dynamic to keep up. We're navigating a "higher-for-longer" rate environment and elevated stock prices that increase sequence of returns risk — the danger that a market dip early in retirement could permanently deplete your savings.

- ☐ **Benchmark your starting rate:** Research suggests a "safe" starting rate for a 30-year horizon is approximately 3.9%, though those using dynamic guardrails can safely start closer to 5.7%.²
- ☐ **Establish spending guardrails:** Define ahead of time when you'll "tighten the belt" (e.g., if the portfolio drops 20%) and when you can splurge a little (e.g., if the portfolio grows significantly).
- ☐ **Sequence of returns protection:** Make sure you have 12–24 months of cash or "cash equivalents" (like money markets) so you aren't forced to sell stocks at low valuations during a temporary market correction.
- ☐ **Tax-efficient harvesting:** Decide which accounts to pull from first (taxable, tax-deferred, or tax-free/Roth) to minimize your tax bill and keep more of your returns working for you.

¹ Social Security Administration. "2026 Benefit Updates." Accessed March 3, 2026. ssa.gov/news/en/cola/factsheets/2026.html

² Morningstar. "What's a Safe Retirement Withdrawal Rate for 2026?" December 3, 2025. morningstar.com/retirement/whats-safe-retirement-withdrawal-rate-2026

04 Healthcare: an unknown expense

Healthcare is often the wildcard expense in retirement. Healthcare expenses tend to rise and accelerate as we age, while the cost of care itself has climbed to historic highs.

- ☐ **Budget for Medicare premiums:** For 2026, the standard Part B premium is \$202.90 a month. Check whether your income triggers IRMAA (Income-Related Monthly Adjustment Amount) surcharges.³
- ☐ **Estimate total lifetime costs:** A 65-year-old couple retiring now will need approximately \$330,000 to cover healthcare costs throughout retirement (excluding long-term care).⁴
- ☐ **Address long-term care (LTC):** Determine whether you will self-insure or use a “hybrid” LTC policy that provides a death benefit if the care is never needed.

05 Inflation and taxes: protecting purchasing power

Income planning is a multi-decade strategy that must account for the eroding effects of inflation and shifting tax laws. Without consistent growth and tax efficiency, your purchasing power declines over time — effectively shrinking your lifestyle even if your spending stays the same.

- ☐ **Audit inflation protections:** Does your plan include assets that have traditionally hedged against inflation, such as TIPS (Treasury Inflation-Protected Securities) or dividend-growth stocks?
- ☐ **Required Minimum Distributions (RMDs):** RMDs are based on your birth year. For those born between 1951 and 1959, RMDs begin at age 73. For those born in 1960 or later, they begin at 75. Make sure your distributions are calculated using the latest IRS Life Expectancy Tables.
- ☐ **Estate and legacy planning:** Make sure the beneficiary designations on your income-producing accounts match your current estate plan.

Why good plans never stand still

The economic landscape won't stay the same over 30 or more years of retirement, so your income plan can't either. It's worth a formal review at least once a year to make sure your withdrawal rates, tax strategies, and healthcare funding still line up with your actual spending. When your goals shift or the markets move, your plan should move with them — so you can keep enjoying the life you've planned for.

YOUR NEXT STEP

See where you stand

Answer a few questions about your timeline, savings, and goals — it takes about three minutes. No pressure, and you decide if and when to talk.

retireright.com/retirement-priorities-assessment

³ CMS. “2026 Medicare Parts A & B Premiums and Deductibles.” November 14, 2025. cms.gov/newsroom/fact-sheets/2026-medicare-parts-b-premiums-deductibles

⁴ National Council on Aging. “Why Retirement Planning Should Include Medicare and Health Care Costs.” July 22, 2025. ncoa.org/article/why-retirement-planning-should-include-medicare-and-health-care-costs

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