RON'S RETIREMENT FINANCE MODEL V1

User Guide

Plan Your Path to Retirement — and Through It

A year-by-year retirement finance model for those still working toward retirement and those already living it — full tax calculation, Roth conversion planning, Social Security optimization, and year-by-year portfolio projection.

WHAT THIS GUIDE COVERS

- What the model does and who it's for
- Your data: Local Mode, browser storage, and GitHub backup
- Step-by-step setup — Inputs, Start of Year, Overrides
- Reading the Cash Flow and Tax Summary tables
- Use cases: A working saver in their 30s
- Use cases: A retired couple managing withdrawals

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NOTE This guide covers the model as of Version 1. Tax calculations are estimates — verify important decisions with a qualified financial or tax professional.

SECTION 1 — WHAT THIS MODEL DOES

Overview

Ron's Retirement Finance Model V1 is a personal, single-file web application that projects your financial future year by year — from today through the end of a plan you define. It calculates taxes (federal and California), Social Security benefits, required minimum distributions, Medicare and IRMAA surcharges, portfolio growth, Roth conversions, and spending — all in one place, with no subscription, no cloud account, and no data leaving your browser.

Unlike spreadsheets, the model solves for taxes iteratively each year — meaning it accounts for the fact that Roth conversions increase AGI, which increases taxable Social Security, which increases the tax bill, and so on. It runs up to eight passes per year to converge on accurate numbers.

Key things you can explore:

- **Roth conversion strategy** — See how converting IRA funds to Roth now compares to taking larger RMDs later. Model specific dollar amounts, bracket-fill strategies, or MAGI targets to stay below IRMAA thresholds.
- **Spending changes** — What happens if you increase spending by 20% in early retirement? What if a one-time large expense (home renovation, healthcare) hits in a specific year? Override spending for any year or range.
- **Income changes** — Model part-time work in early retirement, a consulting business that winds down, or a pension starting at a specific age. Each income type flows through taxes correctly.
- **Social Security timing** — Compare taking SS at 62 vs 67 vs 70 by entering different start ages and monthly amounts. The model applies COLA inflation and computes taxable SS each year.
- **Portfolio longevity** — With your growth rate and spending assumptions, see when (or if) the portfolio runs short. Adjust the cash floor to ensure a minimum safety reserve.
- **IRMAA planning** — Stay below Medicare surcharge thresholds by setting a MAGI target in the override tables. The model will limit Roth conversions to protect your Medicare premium.
- **Inherited IRA drawdown** — Enter a balance and drain year; the model distributes equal annual draws to zero by that year, taxed as ordinary income.

SECTION 1 — WHO THIS IS FOR

Who This Is For

The model is designed for two types of users:

Working Toward Retirement

- You're still earning wages or self-employment income and contributing to retirement accounts.
- You want to understand how your savings rate shapes your long-term picture.
- You're weighing Roth conversions now (while in a potentially lower bracket) vs. paying taxes on larger RMDs later.
- You want to know when you can afford to retire — and what spending level is sustainable.
- You want to see how spending in retirement affects portfolio longevity over 20–30 years.

Already Retired

- You're living off Social Security, portfolio withdrawals, RMDs, and possibly part-time income.
- You want to know if you're drawing down too fast — or have room to spend more.
- You're managing RMDs and want to convert to Roth while you still can at lower rates.
- You want to stay below IRMAA Medicare surcharge thresholds to keep premiums manageable.
- You want to stress-test your plan: what does the portfolio look like at age 85 or 90 under different spending scenarios?

NOTE This model is a planning tool, not financial advice. Tax calculations are estimates based on the rules and rates you enter. Consult a tax professional or financial advisor for decisions with significant consequences.

SECTION 2 — YOUR DATA

Where Your Data Lives

The model is a single HTML file that runs entirely in your browser. Your data is never sent to any server. Understanding where and how it is stored will help you avoid losing your work.

Local Mode

When you first open the model, it runs in **Local Mode**. In this mode, your data is saved only in your browser's local storage — a small database built into every modern browser. Local Mode is a fully functional way to use the model. You can enter all your data, run projections, and save your work — as long as you use the same browser on the same device.

What can erase your data in Local Mode:

- Clicking ***Clear browsing data*** or ***Clear site data*** in your browser settings
- Using your browser's ***Private / Incognito*** mode — data does not persist after the window closes
- Uninstalling or resetting your browser
- Some browser updates or privacy settings that periodically clear local storage
- Opening the file from a different location (e.g., you moved the HTML file to a new folder — the storage key is tied to the file path)

> **TIP** In Local Mode, use the Export tab periodically to download a JSON backup of your data. Store that file somewhere safe. You can restore it at any time using Export → Import.

GitHub Sync — Permanent, Cross-Device Storage

For reliable, permanent storage that works across devices and browsers, the model supports syncing your data to a **GitHub repository**. GitHub is a free service (github.com) that stores files online. You do not need to know anything about programming to use it — you just need a free account and a place to store one small file.

Setting Up GitHub Sync — Step by Step

Follow these steps exactly. It takes about 5 minutes.

1	**Step 1 — Create a free GitHub account** Go to github.com and click Sign Up. Choose a username (anything you like), enter your email and a password, and verify your email address. The free plan is all you need.
2	**Step 2 — Create a new repository** A repository is just a folder on GitHub where your file will be stored. After logging in, click the green New button (or go to github.com/new). Name it something like ***my-retirement-data***. Set it to **Private** so only you can see it. Check the box that says 'Add a README file'. Click Create repository.

3	**Step 3 — Create a Personal Access Token** This is a password that lets the model write to your repository. In GitHub, click your profile photo (top right) → Settings → Developer settings (bottom of left sidebar) → Personal access tokens → Tokens (classic) → Generate new token (classic). Give it a name like 'retirement model'. Set expiration to 'No expiration' or 1 year. Under 'Select scopes', check the box next to **repo**. Scroll down and click Generate token. **Copy the token immediately** — GitHub will only show it once.
4	**Step 4 — Connect the model** In the model, click the Export tab, then click Set Up GitHub. Enter: your GitHub username, the repository name you chose (e.g. my-retirement-data), and paste in the token you copied. Click Save & Test. If it works, you'll see a green success message.
5	**Step 5 — Sync your data** Click Push to GitHub to save your current data to the cloud. From now on, click Push whenever you want to back up. Click Pull to load data from GitHub (useful when switching devices or browsers).

NOTE Your Personal Access Token is like a password. Do not share it or post it publicly. If you suspect it has been exposed, go to GitHub → Settings → Developer settings and delete it, then create a new one.

TIP GitHub sync works across devices. Once set up, you can open the model on any computer, click Pull, and have all your data available immediately.

SECTION 3 — GETTING STARTED: THE INPUTS TAB

Setting Up Your Plan

The Inputs tab is where you define the basic parameters of your plan. You only need to enter this information once — it applies to every year of the projection unless overridden. Work left to right through the panels.

Personal Information

Name — Person 1 / 2	Your names, used throughout the model. Person 2 is optional — leave blank for a single-person plan.
Birth Year	Used to calculate ages in each projected year and determine RMD start age, Social Security age, and senior standard deduction eligibility.
Filing Status	Married Filing Jointly, Single, or Head of Household. Affects tax brackets, standard deduction, SS taxability thresholds, and IRMAA.
State	Currently supports California (CA). Affects state income tax and SDI.
Plan Start Year	The first year of the projection. Typically the current year.
Plan Length (years)	How many years to project. 25–30 years is typical for retirement planning. The preview shows the end year and your ages at end.

Key Variables

Portfolio Growth Rate (%)	Annual total return on your investment portfolio (price appreciation + dividends). Applied to IRA, Roth, and brokerage balances. Can be overridden per year range in Override Tables.
Brokerage Dividend Rate (%)	Dividend yield on brokerage/securities account only. When paid out, this appears as taxable income. When reinvested, it stays in the brokerage account and is already captured in the growth rate.
Cash Interest Rate (%)	Interest earned on your cash balance (e.g., HYSA or money market rate). Applied to the cash balance each year as taxable income. Default 2%.
Reinvest Brokerage Dividends?	Applies to brokerage only — retirement accounts (IRA/Roth) always reinvest internally. **No (default):** dividends are paid out as taxable income; brokerage price growth = Growth Rate minus Dividend Rate. **Yes:** dividends stay in brokerage, no separate cash income, and full growth rate applies to the brokerage balance.

Dividend Tax Treatment	Applies when dividends are paid out. Ordinary: taxed at regular income rates. Qualified: taxed at preferential 0/15/20% LTCG rates. Use Qualified if your dividends are from stocks held over one year.
Annual Spending Increase (%)	How much spending grows each year after the base amount. 2.5–3% is a common inflation assumption.
SS COLA (%)	Annual Social Security cost-of-living adjustment. Applied to SS benefits each year. Default 2.5%.
Wage Growth (%/yr)	Annual growth rate for wages and self-employment income. Separate from SS COLA. Overridable per year range in Override Tables. Default 3%.
Stock Sales Taxable Gain (%)	When securities are sold to fund spending, only a portion is taxable gain. E.g., if you paid $70 for every $100 of stock, enter 30%.
Cash Floor ($)	The minimum cash balance you want to maintain. The model will not draw down below this level.

Social Security

SS Start Age	Age at which SS benefits begin. Between 62 and 70. Later = higher monthly benefit.
Monthly SS ($)	Your expected monthly benefit at the start age you entered.
SS End Year	9999 = benefits last indefinitely. Enter a specific year if modeling a shorter benefit period.

IRA, RMDs and Medicare

RMD Start Year	Auto-calculated based on birth year and SECURE 2.0 rules (age 73 for those born 1951–1959, age 75 for 1960+). You can override if needed.
Inherited IRA Drain Year	If you have an inherited IRA, enter the year by which it must be fully distributed. The model draws equal annual amounts to zero.
IRMAA Level Target (0–5)	Caps Roth conversions to keep MAGI below a Medicare surcharge tier. 0 = stay at base premium, 1–5 = allow up to that tier. Leave at 0 to avoid surcharges.
IRMAA Headroom ($)	Buffer below the IRMAA threshold. E.g., enter 4000 to stay $4,000 below the ceiling rather than right at it.
Medicare MAGI 2024 / 2025	Your actual MAGI for these prior years, used for the 2-year lookback rule that sets your current Medicare premium.

Employee Inputs

% Net Pay → Trad / Roth 401K	Percentage of gross wages contributed to traditional or Roth 401(k). These reduce your take-home pay and affect tax-deferred vs Roth balance growth.
% Employer → Trad 401K	Employer match percentage, added to your traditional 401(k).
Year Wages End	The last year of W-2 employment. After this year, wages are not carried forward automatically. You can still enter wages for specific years in Start of Year.
Year Self-Employ Ends	The last year of 1099 / consulting / self-employment income. Independent of wages end year — you can retire from W-2 work but continue consulting.

NOTE Starting account balances (IRA, Roth, brokerage, cash, HSA, inherited IRA) are NOT entered in the Inputs tab. They are entered in the Start of Year (SOY) tab — click year 1 to open the edit panel and enter your opening balances there. This lets the model treat them as year-1 actuals that flow forward correctly.

SECTION 4 — START OF YEAR ENTRY

Anchoring the Projection to Real Numbers

The Start of Year (SOY) tab is where you enter actual balances and income for specific years. The model projects forward from whatever numbers you enter here. You do not need to fill in every year — only the years where you have actual data or want to override the projection.

How It Works

Click any row in the overview table to open the edit panel for that year. Enter only what you know — anything left blank is projected or carried forward automatically.

Green background	You entered this value. It overrides the projection.
Blue background	Projected / default value. You can edit to override.

Income Fields

Gross Annual Wages ($)	W-2 salary before any deductions. COLA-inflated each year unless you enter a new value. Carries forward until Year Wages End.
Pre-Tax Deductions/yr ($)	Health insurance premiums, FSA, dental/vision, and other Section 125 deductions. Reduces federal AGI and CA wages.
Withholding % (taxes only)	Optional override. Leave blank for Auto — the model calculates income-tax withholding from your wages each year. If you enter a percentage, it overrides the automatic calculation for that year forward. **Note:** the suggested % shown includes FICA/payroll taxes (SS, Medicare, SDI) for reference, but the model correctly uses only the income-tax portion to offset your tax bill — FICA is a payroll tax your employer handles separately.
Self-Employ / 1099 ($)	Consulting or self-employment income. Counts in AGI but has no withholding — any tax owed appears as Funded Tax in the cash flow. Carries forward until Year Self-Employ Ends.
SS Monthly ($)	Actual Social Security payment received. Overrides the global SS amount for this year. Useful if benefits changed or started mid-year.
Spending ($)	Sets a new spending base for this year. Subsequent years inflate from this value at the spending increase rate. Use this to model a one-time large expense — enter the elevated amount for one year, then reset to normal the following year.

HSA Deposit / Withdrawal ($)	Actual HSA activity for the year. Deposits reduce current income (tax-advantaged); withdrawals are not taxed if used for medical expenses.

Balance Fields

Balances entered in SOY become the starting point for that year's projection. All subsequent years grow from these balances using your portfolio growth rate.

Cash ($)	Checking/savings — liquid cash balance at start of year.
Securities ($)	Taxable brokerage accounts. Growth is taxable; sales generate capital gains.
IRA ($) — Person 1 / 2	Traditional IRA / 401(k) / 403(b) balance. Subject to RMDs after start age. Withdrawals taxed as ordinary income.
Roth ($) — Person 1 / 2	Roth IRA balance. Grows and withdraws tax-free. Not subject to RMDs.
HSA ($)	Health Savings Account balance. Grows tax-free; withdrawals tax-free for medical.
Inherited IRA ($)	Inherited IRA balance. Required to drain by the year set in Inputs.

TIP Enter your actual balances for the current year to anchor the projection to reality. In future years, update with actual numbers as you go to keep the model accurate.

SECTION 5 — OVERRIDE TABLES

Year-Range Overrides

Override Tables let you modify any aspect of the projection for a specific year or range of years. These are layered on top of your base inputs — the global defaults apply everywhere, overrides apply only where you define them. Multiple overrides can be active at once; the model handles conflicts by priority: **Income Level > IRMAA > Tax Fill** — if Income Level and IRMAA overrides are both set for the same year, Income Level wins.

Roth Conversion Strategy

IRMAA Level Limit	Cap Roth conversions to keep MAGI below a Medicare surcharge tier. Enter the maximum tier you'll accept (0 = base, 1–5 = tiers). The model stops converting when the limit would be breached. Overridden by Income Level if both are active.
Income Level Target	Convert IRA→Roth until AGI reaches a specific dollar MAGI target. Useful for targeting a precise income level — e.g., staying just below an ACA cliff or bracket edge. Takes priority over IRMAA and Tax Fill when active.
Tax Bracket Fill	Automatically fill to the top of the current federal bracket minus a headroom amount. The model calculates the bracket ceiling each year and converts accordingly. Ignored if Income Level or IRMAA override is active.

Spending

Spending Amount Override	Set spending to a fixed dollar amount for a year range. Subsequent years inflate from this base unless another override is set.
Spending Pct Change	Increase or decrease spending by a percentage for a year range. E.g., enter -20 to model cutting spending by 20% in early retirement.

Other Overrides

Deductions	Override federal and/or CA itemized deductions for a year range. The model uses the higher of itemized or standard for each jurisdiction.
Cash Floor	Change the minimum cash reserve for a year range. Useful for modeling a period of higher liquidity needs.
Portfolio Growth Rate	Override the portfolio growth rate for a year range. Use this for a conservative early sequence-of-returns scenario, or a specific market downturn year.

Wage Growth Rate	Override the annual wage and self-employment income growth rate for a year range. Useful for modeling career stages — e.g., faster growth in high-earning years, slower near retirement. SOY entries always take priority over this rate.
Funding Order	Change which account type is drawn first after mandatory income. Choices: Securities first (default) or IRA first. Use IRA first to accelerate drawdown in specific years.
HSA Deposit	Set a specific annual HSA deposit for a year range.
State Tax	Override the state for tax purposes for a year range. Enter NONE for a tax-free state, or CA to apply California taxes. Useful for modeling a move to a state with no income tax. Future versions will support additional states.

TIP All override fields accept blank values — blank means 'use the global default for this field.' You can have multiple rows in any override table with different year ranges.

SECTION 6 — TAX TABLES & INFLATION SETTINGS

Tax Tables Tab

The Tax Tables tab controls the two most important long-horizon assumptions in the model: how fast tax brackets grow over time, and how fast Medicare IRMAA thresholds grow. Getting these right significantly affects projected taxes over a 20–30 year plan.

Bracket Inflation Rate

The IRS adjusts federal tax brackets, standard deductions, and long-term capital gains thresholds each year using the CPI-W (Consumer Price Index for Urban Wage Earners). California does the same for its brackets. This is called **bracket indexing** — its purpose is to prevent *bracket creep*, where inflation alone pushes people into higher tax brackets even when their real purchasing power hasn't changed.

If bracket inflation is set to **0%**, the model assumes Congress never adjusts brackets for inflation. This is technically possible (it happened in the 1970s) but is not a realistic base-case assumption. Over 25 years, frozen brackets significantly overstate taxes — your effective rate would appear to climb every decade even with no real income growth.

Setting	What it means	When to use
2.5% (default)	Brackets grow with the Fed's long-run inflation target. Matches the COLA rate used elsewhere in the model.	Base case for most plans
2.0%	Slightly conservative — brackets grow a bit slower than income.	Modest bracket-creep stress test
3.0%	Brackets grow faster than typical income — effective rates decline over time.	Optimistic / aggressive
0%	Brackets completely frozen. Maximum tax pessimism.	Worst-case stress test only

IRMAA Inflation Rate

IRMAA (Income-Related Monthly Adjustment Amount) is a Medicare surcharge paid by higher-income beneficiaries. The thresholds at which each surcharge tier begins are adjusted annually by the Social Security Administration — but historically they have risen **more slowly** than general inflation, typically around 2% per year. There have also been periods where thresholds were frozen entirely, which is a meaningful policy risk worth stress-testing.

The IRMAA surcharge **amounts** (the actual dollar premiums per tier) are also inflation-adjusted using this same rate — so both the income thresholds and the premiums grow together. Setting IRMAA inflation to 0% models frozen thresholds and frozen premiums, which represents the worst case for Medicare cost planning.

Setting	What it means	When to use

2.0% (default)	Thresholds and premiums grow modestly. Conservative but historically realistic.	Base case
2.5%	Thresholds keep pace with general inflation — favorable for staying below tiers.	Optimistic scenario
0%	Thresholds and premiums frozen at today's levels. Worst-case Medicare costs.	Stress test / pessimistic

TIP The model defaults to 2.5% bracket inflation and 2.0% IRMAA inflation — the most historically accurate base-case assumptions. If you want to stress-test, run the plan once at defaults, then again with both set to 0% and compare the lifetime tax totals on the Dashboard.

The 2026 Tax Brackets

The remainder of the Tax Tables tab shows the actual 2026 IRS and California bracket values pre-loaded into the model. These are the base values that get scaled forward each year using the inflation rates above. You can edit them if you have more current information, but the defaults reflect the best available 2026 figures at the time the model was built. The preview at the bottom of the tab shows the scaled brackets for any year you select, so you can verify what the model is actually using in a given year.

SECTION 7 — READING THE RESULTS

Cash Flow Tab

The Cash Flow tab shows the complete year-by-year picture of money coming in, going out, and where it comes from. Each row is one year. Column groups are color-coded:

- **MANDATORY FUNDING (green)**: Income that arrives regardless of what you need: take-home wages, self-employment income, Social Security, RMDs, inherited IRA draws, dividends, and HSA withdrawals. These fund spending first.
- **DISCRETIONARY FUNDING (gray)**: Portfolio withdrawals drawn to cover any remaining gap: cash draw, IRA draw, securities sale, Roth withdrawal. Only used when mandatory funding falls short.
- **SPENDING (purple)**: Annual Spending (inflated each year), Funded Tax (the portion of income tax not covered by wage withholding — needs to be funded from the portfolio), Cash Gap (any shortfall below the cash floor), and Total Required.
- **FUNDING SUMMARY (blue)**: Total Funded vs Total Required. Excess Income → Securities shows surplus income being swept into the securities account.
- **TAX (gold)**: AGI, federal tax, CA tax, IRMAA surcharge, effective rate, marginal rate.

Funded Tax explained:

Funded Tax is the income tax owed that *wasn't* covered by payroll withholding. W-4 withholding only knows about wages — it doesn't account for dividends, self-employment income, RMDs, or Roth conversion income. All of those generate a tax bill that must be funded from the portfolio (or paid as estimated quarterly taxes). A non-zero Funded Tax column is normal and expected once you have non-wage income.

Tax Summary Tab

The Tax Summary tab shows a detailed tax breakdown for each year: AGI, federal ordinary tax, LTCG tax, CA state tax, IRMAA surcharge, effective rate, marginal rate, and an all-in blended rate. Use this tab to evaluate Roth conversion efficiency — look for years where the marginal rate is lowest (often pre-RMD, pre-SS years).

Dashboard

The Dashboard shows a summary of key metrics: total portfolio value, net worth, total taxes paid over the plan, and projected end balances. Use it for a quick sanity check after making changes.

SECTION 8 — USE CASE: A WORKING SAVER IN THEIR 30S

Scenario: Donna, Age 36, Single, California

Donna earns $155,000/year in W-2 wages, has $180,000 in a traditional IRA, $45,000 in a Roth IRA, and $30,000 in a taxable brokerage account. She plans to work until 2049 (age 59) and take Social Security at 65. She wants to understand her long-term trajectory and explore a few scenarios.

Setup

- **Inputs tab:** Enter name, birth year (1989), Single, California. Plan start 2026, length 30 years. Enter wages $155,000, Year Wages End 2049, portfolio growth 6%, spending increase 2.5%, COLA 2.5%.
- **Social Security:** SS age 65, monthly benefit $2,400 (estimate from SSA.gov).
- **Start of Year (2026):** Enter IRA $180,000, Roth $45,000, Securities $30,000, Gross Wages $155,000, Spending $80,000. Leave withholding blank — the model calculates it automatically.

Scenario A — Baseline: What Does the Plan Look Like?

Run the projection as-is. Look at the Cash Flow tab. In the early working years (2026–2049), wages comfortably cover spending and taxes, with excess swept into securities. After retirement in 2049, the portfolio takes over. Check the Tax Summary tab — Donna's marginal rate during her working years is likely 22–24% federal. Note when RMDs would begin (age 75 under SECURE 2.0).

> **TIP** If the portfolio never runs below zero, Donna is in good shape. If it dips, try reducing spending, increasing the growth rate assumption, or starting SS earlier.

Scenario B — Roth Conversion During Working Years

Donna is currently in the 22% federal bracket. After retirement, her income will drop significantly — she may be in the 10–12% bracket for several years before SS and RMDs kick in. Should she convert some IRA to Roth now, at 22%, to avoid converting later at potentially higher rates?

- In Override Tables → Roth Conversion → Tax Bracket Fill, add a row: Active = T, Headroom = $5,000, Start Year = 2050, End Year = 2058 (the gap years before SS and RMDs).
- Re-run the projection. On the Tax Summary tab, look at 2050–2058. The model will convert enough IRA→Roth each year to fill just below the top of the 12% bracket.
- Compare total lifetime taxes paid (Dashboard) between this scenario and the baseline. Bracket-filling those low-income years often reduces total taxes substantially.

Scenario C — What If Spending Increases in Early Retirement?

Donna wants to travel extensively in the first 10 years of retirement (2049–2058). She estimates spending will be $120,000/year during that period, then drop to $80,000 as she slows down.

- In Override Tables → Spending, add a row: Amount = $120,000, Start Year = 2050, End Year = 2058.

- The model will use $120k as the spending base for those years, inflating normally, then revert to the global spending in 2059.
- Check the Cash Flow to see how much extra portfolio draw this requires, and the Dashboard to see the impact on end-of-plan balances.
- To also reset spending down: add a second SOY entry for 2059 with Spending = $80,000.

SECTION 9 — USE CASE: A RETIRED COUPLE

Scenario: Phil & Jill, Ages 66 & 65, Married, California

Phil and Jill are recently retired. Phil has a traditional IRA of $1.8M, Jill has $600K. They have $250K in a joint brokerage account and $50K in Roth. Phil starts SS at 70 ($4,830/mo), Jill is already receiving SS ($2,099/mo). They spend $250,000/year and want to keep Medicare premiums at IRMAA Tier 1 or below.

Setup

- **Inputs tab:** Names, birth years (1959/1960), Married Filing Jointly, California. Plan length 26 years. Portfolio growth 5%, spending increase 2.5%, COLA 2.5%.
- **Social Security:** Phil SS Age 70, monthly $4,830. Jill SS Age 62 (already receiving), monthly $2,099. Jill SS End Year 2045 (model based on life expectancy).
- **IRA / IRMAA:** IRMAA Level Target = 1 (allow up to Tier 1, ~$274K MAGI). Headroom $4,000. Enter actual prior-year MAGI in the Medicare MAGI fields.
- **Start of Year (2026):** Phil IRA $1,800,000, Jill IRA $600,000, Securities $250,000, Roth $50,000, Cash $50,000, Spending $250,000.

Scenario A — Baseline: Managing RMDs and IRMAA

Run the projection. Ron's RMDs begin at age 73 (2032). Before then, look at the Tax Summary — these are the optimal Roth conversion years. The IRMAA Level 1 target will cap conversions to keep MAGI below ~$274K. Notice the effective tax rate in the pre-RMD years vs the post-RMD years — Roth conversion now typically saves money later.

Scenario B — Aggressive Roth Conversion Before RMDs

Phil and Jill want to maximize Roth conversion in the 2026–2031 window (before RMDs, before Phil's SS). They're comfortable paying up to the top of the 22% bracket each year.

- In Override Tables → Roth Conversion → Tax Bracket Fill, add a row: Active = T, Headroom = $5,000, Start Year = 2026, End Year = 2031.
- But they also want to respect the IRMAA Tier 1 limit. The model handles this automatically: IRMAA takes priority over Tax Fill. If filling the 22% bracket would push MAGI above Tier 1, the model stops at Tier 1. Alternatively, set an Income Level override to a specific dollar target — Income Level takes priority over both IRMAA and Tax Fill.
- After running, check the Tax Summary for 2026–2031. Look at the Roth Conversion column in Cash Flow. Compare total IRA balance in 2035 (after RMDs begin) between this scenario and baseline.
- The goal: push IRA funds into Roth while in a lower bracket, reducing future RMD income.

Scenario C — Modeling a Large One-Time Expense

In 2028, Phil and Jill plan a major home renovation costing $80,000 on top of normal spending.

- In Start of Year → click 2028 → enter Spending = $330,000 ($250k normal + $80k renovation).

- In Start of Year → click 2029 → enter Spending = $250,000 to reset back to normal (otherwise the model would inflate from $330k going forward).
- Check the Cash Flow for 2028. The model will draw the extra $80k from the portfolio using the normal funding waterfall. Check what account it comes from.
- Check if the extra draw in 2028 triggers a higher IRMAA tier in 2030 (2-year lookback). If so, consider funding part of the renovation from the Roth account to limit AGI impact.

Scenario D — How Long Does the Portfolio Last?

Use the Dashboard's net worth and portfolio charts to see when balances peak and how they trend. Try stress-testing with a lower growth rate (3% instead of 5%) using Override Tables → Portfolio Growth for the entire plan period. Check if the portfolio still covers spending through age 90+. If not, identify which years to reduce discretionary spending using the Spending override.

> **TIP** The Year Detail tab lets you drill into any single year to see exactly how every dollar flows — from opening balances through taxes, conversions, and closing balances.

SECTION 10 — TIPS AND QUICK REFERENCE

Common Questions

Why does Funded Tax appear even though wages are withheld?

Withholding only covers income tax on wages. Dividends, RMDs, self-employment income, and Roth conversion income are not withheld — their tax must be paid as estimated quarterly taxes or funded from the portfolio. The Funded Tax column shows exactly how much that is each year.

Why does the model run multiple passes per year?

Taxes interact with income in circular ways: converting IRA to Roth increases AGI, which increases taxable Social Security, which increases the tax bill. The model runs up to 8 iterations per year until the numbers converge — this is the same approach used by tax software.

What does 'Auto' mean in the Withhold % column?

The model is automatically calculating income-tax withholding from your projected wages each year. You do not need to enter anything. If you want to override (e.g., you know your actual W-4 setting differs), enter a percentage and it will be used instead.

What is the LTCG Tax column and why is it sometimes $0?

Federal long-term capital gains tax is 0% for income below approximately $47,000 (single) or $94,000 (MFJ) in 2026, scaled for inflation each year. If your AGI is low enough — common in early retirement before SS and RMDs begin — all your qualified dividends and capital gains may fall in the 0% bracket. CA taxes all gains as ordinary income regardless.

Why do self-employ earnings continue after wages end?

Wages (W-2) and self-employment (1099) have separate end years. Set 'Year Self-Employ Ends' in Employee Inputs to stop consulting income at a specific year.

Can I model a person retiring years apart from their spouse?

Yes. Set different 'Year Wages End' values for each person. SS ages are also set independently. The model tracks each person's income, withholding, and balances separately.

Tab Quick Reference

Tab	What it's for
Dashboard	Summary metrics, net worth, portfolio charts
Inputs	Base parameters: names, ages, rates, SS, IRA, employee settings
Start of Year	Actual balances and income by year — anchor and override the projection

Override Tables	Roth conversion strategy, spending changes, deductions, growth rate
Year Detail	Drill into a single year: every balance, income, tax, and flow
Cash Flow	Complete year-by-year income, spending, funding, and taxes
Tax Summary	Detailed tax breakdown with effective and marginal rates
Charts	Visual portfolio and income trends
Tax Tables	2026 IRS/CA brackets, standard deductions, IRMAA tiers. Set bracket inflation (default 2.5%) and IRMAA i
Export	Download data as JSON, set up GitHub sync, reset all data

This guide covers the model as of Version 1. For questions or to report issues, use the Export tab to share your data file. All calculations are estimates — verify important decisions with a qualified financial or tax professional.