

**RETIREMENT**



**By the numbers<sup>1</sup>**

- **35%** of older baby boomers plan to retire in a different state from where they currently live; 19% plan to retire within the same state but a different city; and 43% plan to retire in the same city.<sup>1</sup>
- **96%** say top-quality health care services are “very” or “somewhat” important to them in considering a relocation destination, followed by nearly 92% citing affordable housing, nearly 86% looking for a warm year-round climate and 81% placing importance on low local taxes.<sup>2</sup>

<sup>1</sup> Source: 2012 PulteGroup Home Index (PGHI) Survey.

<sup>2</sup> Source: 2012 Mason Dixon Polling & Research, Inc. Baby Boomer Poll.

This material should be used as helpful hints only. Each person’s situation is different. You should consult your investment professional or other relevant professional before making any decisions.

## RETIRING TO A DIFFERENT STATE

Moving always requires serious consideration, no matter what your stage of life. If you are thinking about moving to another US state when you retire, here are helpful tips for making sure you know and cover the social, medical, financial and legal issues involved before you pack your bags.

### Careful preparation can make for a good decision

Before moving to another state, taking the following steps may be helpful:

- **Visit the location** you have in mind at different times of the year to determine how comfortable you are with the climate, the area and the people. It is easy to fall in love with a new place at its most pleasant time of year, but living there all year round is a different matter.
- **Make an extended trial visit** (a month or more) or rent an apartment there for a few months before finding permanent housing.
- **Subscribe to the local paper** for a month and read it through carefully. Get a feel for the local spirit of the place, whether useful projects succeed or get bogged down in politics, what the safer and more dangerous neighborhoods are, what the unresolved issues are and so on.
- **Make a list** of the services you may want to use. Then check each county or town you are considering to find out which services are available. For each service, write down the agency or company name, contact person, phone number, counties served, fees, service limitations, regulations and any eligibility requirements.
- **Request information** from the Chamber of Commerce about state and local taxes, including property and sales taxes.
- **Request a packet of information** about the community.
- **Request a list of housing options.** If you have a pet, make sure the housing options you look at allow animals.
- **Visit different neighborhoods** and retirement communities to get a feel for what is available.

### Key points

Moving out of state when you retire? Starting out new can be great, especially when you plan in advance.

- Take stock of your current situation. Decide how you want to spend your life in retirement and how you will fund it.
- Make sure you know and cover all the social, medical, financial and legal issues involved.
- Try to minimize your taxes and housing expenses to help stretch your fixed income.

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- **Avoid making any big change** immediately after another big change, such as relocating immediately after retirement or selling your home immediately after the death of your spouse.

### Practical matters before you move

Before moving, consider the following steps:

- **Contact a local realtor** to list the property if you own your current home. Selling the family home may take considerable time and preparation. If you have adult children, they may want to be involved with packing and other aspects of moving.
- **Contact a moving company** to get a moving and packing estimate.
- **Decide how your pets are going to travel** to your new home and make whatever arrangements are necessary.
- **Know the layout of your new residence** to help you decide what to take with you and what will not fit. List the items you are taking with you, the items you want to give away and to whom and the items you want to store and how they should be disbursed later. The remaining items can be claimed by children or grandchildren, sold at a garage sale or taken to a donation center. Keep a list of the donated items for tax preparation purposes.
- **Pick up plenty of free change-of-address cards** from the post office. Send cards to your
  - accountant
  - attorney
  - banks
  - credit card companies
  - church
  - dentist
  - doctors
  - friends
  - relatives
  - IRA account management companies
  - Social Security office

- insurance companies
- financial advisor
- stockbroker
- mutual fund companies
- utility companies
- voter registration office
- state income tax bureau
- motor vehicle department
- Department of Veterans Affairs

- **Send a letter to the Internal Revenue Service** indicating your change of address. (The IRS will not accept a change of address card.)
- **Send a letter to your bank** to have funds transferred.
- **Close your safety deposit box.**
- **Order checks** with your new address printed on them. You want them before you move so you will be able to write checks as soon as you arrive.
- **Arrange to have your phone and utilities turned off** at your old home and turned on at your new home.
- **Check to see if a new driving test is needed** in your new state.

### Social considerations

Though you may be leaving friends and relatives behind when you move, there are steps you can take to maintain these ties:

- **Talk with your friends and relatives** about how you are going to keep up with them after you move. Some retirees who move away set up an annual reunion in their old or new home or start a round-robin letter to circulate among friends.
- **Trade e-mail addresses** with everyone before you leave. Then make it a habit to stay connected that way.
- **Check to see if there is a local chapter** in your new area if you belong to any service clubs or organizations.

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### Medical issues

Check with your health insurer to make sure you can retain the benefits you now have in the states you are considering. Once you have decided where to go and are preparing to move:

- **Request a written medical history** from your physician(s) and dentist.
- **Keep a list of phone numbers and addresses** of your current doctors, dentist and pharmacist in case you need to contact them from your new home.
- **Have your pharmacy prepare a list** of your prescriptions, with noted side effects.
- **Arrange for an ample supply of medications** to cover your first few months after the relocation.

### Financial considerations

Here are some things to do before you move:

- **Check with your accountant** to determine the tax consequences of your move, the sale of your home and any other financial changes that may occur.
- **Ask your insurance company** what kind of rates to expect in the communities you're considering. Home and car insurance rates may vary widely depending on local conditions.
- **Check for differences in financial benefits** in the states you are thinking of moving to, particularly if you receive Medicaid or assistance from a state-funded program.

### Legal issues

Legal documents and arrangements can vary from state to state. If you have made any of the following legal arrangements, be sure to check with your attorney on whether they will need to be modified in a different state:

- representative payee
- power of attorney
- durable power of attorney
- guardianship
- living will

- medical power of attorney
- health care power of attorney
- life estate
- trusts

You may also want to start working with an attorney in your new state before you actually move there.

It is important that somebody knows where to find your important financial and legal documents in case of emergency. Before you move, ask your financial advisor for a ready-made MFS Heritage Planning® contact and financial information worksheet. Use it to consolidate and record your most vital information, including

- your contact information
- emergency contacts and neighbors
- employer address and telephone
- insurance policies
- doctors, clinics, health centers
- pharmacies and medications
- legal, financial and estate contacts
- retirement and other investments
- personal property details
- military benefits

Once you complete the worksheet, put the original in a safe spot, give a copy to a trusted relative, friend or caregiver and let a family member and/or your emergency contact know where to find this document if needed.

### Contact your financial advisor for more information or visit [mfs.com](https://mfs.com).

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