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**Outliving Money is Top Retirement Concern
According to New AICPA Survey of CPA Financial Planners**

*AICPA's Personal Financial Planning (PFP) Section releases member survey
on retirement concerns for clients*

NEW YORK (April 8, 2015) – Americans' are fearful of outliving their money in retirement and feeling stressed about healthcare costs, according to a new survey from the American Institute of CPAs. The AICPA PFP Trends Survey of CPA financial planners—many of whom work with high-net worth individuals—found that more than half (57 percent) of CPA financial planners cited running out of money as the top retirement concern for their clients. This was followed by uncertainty on how much to withdraw from retirement accounts (14 percent) and healthcare costs (11 percent). The survey, which includes responses from 548 CPA financial planners, was fielded from February 3 to February 26.

When asked about the top three sources of clients' financial and emotional stress about outliving their money, planners cited healthcare costs (76 percent), market fluctuations (62 percent) and lifestyle expenses (52 percent) as the primary issues. Additional causes for financial stress were unexpected costs (47 percent), the possibility of being a financial burden on their loved ones (24 percent) and the desire to leave inheritance for children (22 percent).

“With all of the financial uncertainty surrounding retirement, running out of money is directly tied to a number of issues that high-net worth clients are juggling simultaneously,” said Lyle K. Benson, CPA/PFS, and chair of the AICPA's PFP Executive Committee. “To help alleviate their clients' longevity concerns, CPA financial planners integrate tax planning strategies to maximize income in retirement. This approach considers a client's current situation and anticipates their lifestyle spending in retirement to ensure they stay on track in the event of an unexpected life event.”

The survey results showed that unexpected events are not abstract concerns; they are having an impact on retirement planning for a large number of clients. These issues include long-term healthcare concerns (impacting 42 percent of clients), caring for aging relatives (28 percent), diminished capacity (26 percent), divorce (18 percent), job loss (18 percent) and adult children returning home (18 percent).

Some of these concerns are becoming prevalent. When asked to compare to client experiences five years ago, respondents reported increases in clients being unexpectedly impacted by long term health care concerns (59 percent), taking care of aging relatives (43 percent) and diminished capacity (39 percent). Taken together, these issues demonstrate the competing challenges individuals face when planning for their retirement and the need for sophisticated planning advice to meet their goals.

“The PFP Trends Survey found that the issues impacting retirement planning are constantly evolving, underscoring the need for a sophisticated financial plan that changes with a client’s situation,” said [Jeannette Koger](#), CPA, CGMA, AICPA vice president of Member Specialization and Credentialing. “The AICPA’s Personal Financial Planning Division is dedicated to offering our members tools and up-to-date guidance and resources so they can continue to meet the complex retirement needs of their clients.”

CPA financial planners recognize that dealing with these concerns requires a combination of behavioral changes and technical advice. By understanding clients’ fears about running out of money in retirement, planners can provide a more realistic perspective on their financial situations and help alleviate the associated stress. Following are some of the strategies planners are currently using with their high-net worth clients:

- Lifestyle – helping clients understand the impact of their lifestyle spending and implementing a plan that balances their current income level and asset base with their retirement goals.
- Healthcare – working with clients to understand their Medicare and insurance options so they can better plan for potential healthcare costs they might need to cover.
- Living situations – identifying strategies, such as the use of continuing care retirement communities, to both control costs and save on taxes.
- Tax savings – coordinating Roth conversions with IRA required minimum distributions, investing in assets with a lower tax rate, and maximizing Social Security income.
- Diversity – mitigating the effect of market fluctuations with proper asset allocation, bucket strategies, and use of single premium annuities.

Survey results are available to members of the press upon request.

Methodology

The AICPA’s PFP Trends Survey is administered as an online survey that targets CPAs who are members of the AICPA Personal Financial Planning Section, including those holding the CPA/PFS credential.

About the AICPA's PFP Division

The AICPA's Personal Financial Planning (PFP) Section is the premier provider of information, tools, advocacy, and guidance for CPAs who specialize in providing estate, tax, retirement, risk management, and investment planning advice to individuals, families and business owners. The primary objective of the PFP Section is to support its members by providing resources that enable them to perform valuable PFP services in the highest professional manner.

CPA financial planners are uniquely able to integrate their extensive knowledge of tax and business planning with all areas of personal financial planning to provide objective and comprehensive guidance for their clients. The AICPA offers the Personal Financial Specialist (PFS) credential exclusively to CPAs who have demonstrated their expertise in personal financial planning through testing, experience and learning, enabling them to gain competence and confidence in PFP disciplines.

About the AICPA

The American Institute of CPAs (AICPA) is the world's largest member association representing the accounting profession, with more than 400,000 members in 145 countries, and a history of serving the public interest since 1887. AICPA members represent many areas of practice, including business and industry, public practice, government, education and consulting.

The AICPA sets ethical standards for the profession and U.S. auditing standards for private companies, nonprofit organizations, federal, state and local governments. It develops and grades the Uniform CPA Examination, and offers specialty credentials for CPAs who concentrate on personal financial planning; forensic accounting; business valuation; and information management and technology assurance. Through a joint venture with the Chartered Institute of Management Accountants (CIMA), it has established the Chartered Global Management Accountant (CGMA) designation which sets a new standard for global recognition of management accounting.

The AICPA maintains offices in New York, Washington, DC, Durham, NC, and Ewing, NJ.

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