

With Market Slump, Time to Convert to a Roth IRA?

In a recent BankRate.com [article](#), Greg McBride suggests that the recent slump in financial markets may present an opportunity for investors to convert to a Roth IRA.

A Roth IRA can be tapped tax-free in retirement, and unlike your 401(k) or a traditional IRA, there are no required distributions beginning at age 70 1/2.

Many investors have seen the account balances of their traditional IRAs fall amidst the recent market weakness. Therefore, converting your lower account balance means a lower tax burden compared to if you'd converted earlier. If you've been contemplating a Roth IRA conversion, the pullback in the stock market may be just what you've been waiting for.

For more information on the tax implications for retirees, be sure to read these AAIL articles:

- [Tailor Retirement Withdrawals Based on Your Tax Situation](#)
- [Converting to a Roth IRA Can Minimize RMDs](#)
- [A Checklist for Rolling Over a 401\(k\)](#)

If you are not an AAIL member but want unlimited access to AAIL's library of educational articles, simply take a [risk-free 30-day Trial AAIL Membership](#) to start becoming an effective manager of your assets.