

Table 6: Total Expected Conversion Payoffs Across Favorable and Unfavorable Changes in Future Tax

Age:	85	90	95
Inflation divisor:	1.47	1.7	1.97
Roth balance:	\$265K	\$417K	\$672K
tax_{DIST} delta			
-4%	-\$6,091 -4.2%	-\$225 -0.1%	\$17,310 8.8%
-3%	-2736 -1.9%	\$5.06 3%	\$25,592 13%
-2%	\$619 0.4%	\$10,337 6.1%	\$33,874 17.2%
0%	\$7,328 5%	\$20,900 12.3%	\$50,438 25.6%
2%	\$14,037 9.6%	\$31,462 18.5%	\$67,001 34%
3%	\$17,391 11.8%	\$36,743 21.6%	\$75,283 38.2%
4%	\$20,746 14.1%	\$42,025 24.7%	\$83,565 42.3%

Note: Corresponds to the second column in Table 5 with conversion at age 72. Dollars are nominal gain relative to the counterfactual of not converting. Percentages are the real dollar gain on the \$100,000 conversion (with 3% inflation). Taking the upper right cell as an example, the nominal gain of \$17,310 divided by the inflation divisor of 1.97 represents a real gain of \$8,771, which is 8.77% of the \$100,000 conversion. Nominal value of the Roth account is given at each age for context. Subtract the dollar amounts to size up the reduction in wealth if conversion was not made.