



VITAL VOICES

Financial and Retirement Issues That Impact Rhode Island Adults Age 45 and Older, November 2023

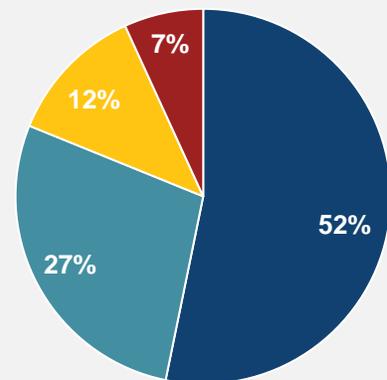
Eliminating state taxes on Social Security may convince older adults to stay in Rhode Island.

Most Rhode Island adults age 45+ (64%) know that Rhode Island is one of 13 states that adds taxes on Social Security benefits in addition to what the Federal government taxes. When asked, the majority (89%) of residents say they agree that “*Rhode Island lawmakers should repeal the state tax on Social Security.*” This sentiment is consistent regardless of age, gender, or political party.

The majority (91%) of Rhode Island adults also think it is at important to eliminate the state taxation of Social Security income, with over half (52%) saying it is *extremely important*.

Among the 29% of Rhode Island residents age 45+ who have considered living in another state for retirement, or are still unsure about it, nearly three in five say they are more likely to stay in Rhode Island if the Social Security income tax is eliminated (25% much more likely and 34% somewhat more likely).

2023 Importance of Eliminating RI Social Security Taxation



- Extremely important
- Very important
- Somewhat important
- Not very important/ not important at all

“Please indicate how important each is to you, personally.”
(n=700 total respondents)

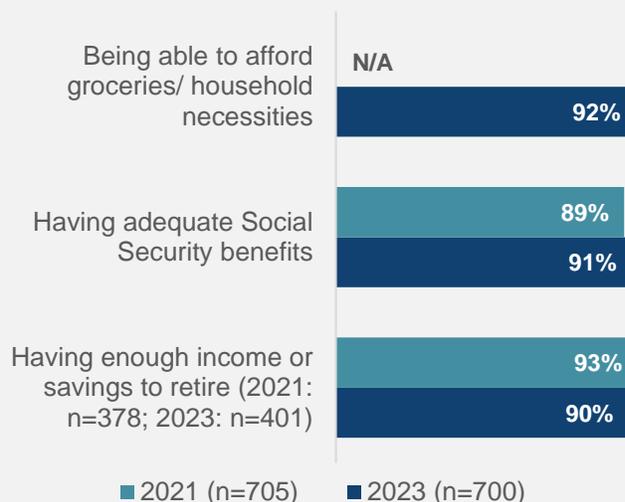
Social Security and financial stability are highly important issues for Rhode Island residents age 45+.

The majority of Rhode Island adults age 45+ say it is extremely or very important to have adequate Social Security benefits available in the future (91%).

Furthermore, over half (55%) of Rhode Island adults believe Social Security will be a major part of – or their only source of – their retirement income. Those in the workforce say it is extremely or very important to have enough income or savings to retire (90%).

Immediate needs are also top of mind, with nine in ten (92%) Rhode Island adults age 45+ saying being able to afford groceries and other household necessities is extremely or very important.

Financial Security Issues of Importance

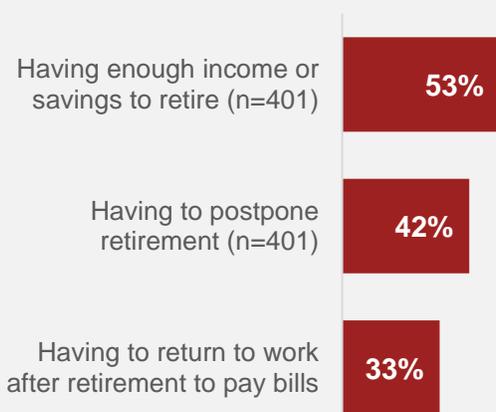


"Please indicate how important each is to you, personally."
% "extremely important" or "very important"

One in five (22%) Rhode Island residents age 45+ feel less prepared for retirement compared to others their age.



2023 Retirement Concerns



"How concerned are you about the following?"
% "extremely concerned" or "very concerned"
(n=700 total respondents)

One in three Rhode Island adults are concerned about having to return to work after retirement to pay their bills.

Half (53%) of working Rhode Island adults age 45+ report being extremely or very concerned about having enough income or savings to retire, and another two in five (42%) say they are concerned about having to postpone retirement.

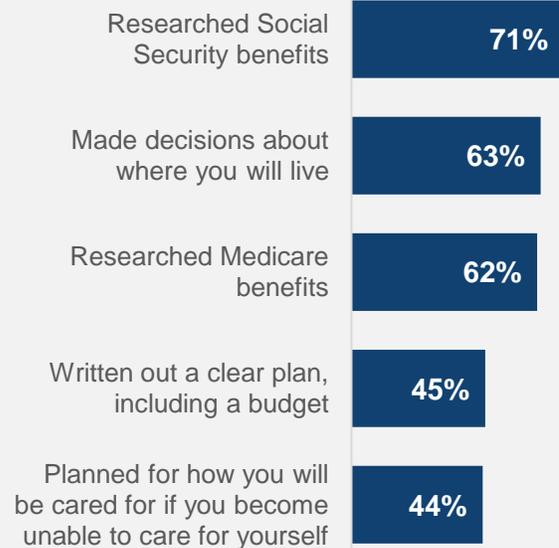
Half (52%) of all residents age 45+ are at least somewhat concerned they will have to return to work after retirement because they are unable to pay their bills. This concern is much higher among adults age 45-64 (44%) compared to adults age 65+ (14%), suggesting confidence in retirement income sources is lower among the younger cohort.

Younger Rhode Island adults (age 45-64) are less likely than those age 65+ to have prepared for retirement.

While seven in ten (71%) Rhode Island residents age 45+ have researched Social Security benefits in preparation for retirement, they are less likely to have made decisions about where they will live in retirement (63%) or researched Medicare benefits (62%). Even fewer Rhode Island adults age 45+ have written out a clear plan, including a budget, for their retirement years (45%) or planned for how they will be cared for should they become sick, disabled, or unable to care for themselves (44%).

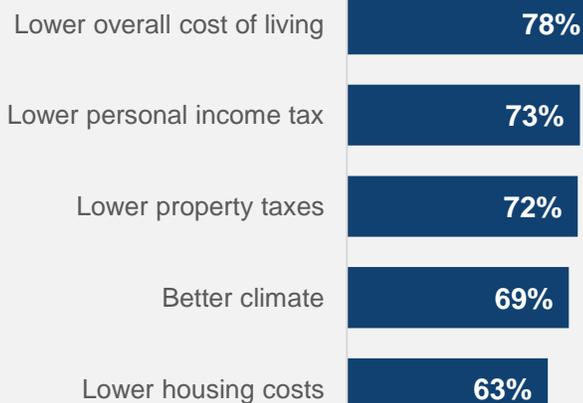
Older adults (age 65+) are significantly more likely than those age 45-49 and 50-64 to have prepared for retirement in each of these ways, suggesting that Rhode Island residents are waiting until much closer to retirement to begin any planning.

2023 Retirement Preparation



*"For each of the following ways to prepare for your retirement years, have you/had you...?" % "have"
(n=700 total respondents)*

2023 Reasons for Moving Out of Rhode Island During Retirement



*"What are your reasons for wanting to live somewhere else in retirement?" % "yes"
(n=121 respondents who don't plan to live in RI full-time in retirement)*

While many residents age 45+ plan to live in the state full-time during retirement, those who plan to leave cite financial reasons.

Seven in ten (71%) Rhode Island residents age 45+ plan to live in the state full-time during retirement, and another 10% plan to live in the state part-time during those years. However, nearly one in five (19%) are either unsure of where they will live or plan to move elsewhere.

Of those adults age 45+ who plan to move elsewhere (at least part-time), many cited wanting to move for financial reasons: At least seven in ten say they want to move for a lower cost of living (78%), lower personal income taxes (73%), and lower property taxes (72%). Looking for lower housing costs are also a common reason for leaving the state (63%).

Interviews were conducted with 700 residents of Rhode Island age 45+ by landline (35%), cell phone (32%), online (27%), and text-to-web (7%) between October 9, 2023 and November 6, 2023.



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