

Impact of Inflation on a Constant Pension

By No Author      Fri, Jan 17, 2020

| The impact of 2.5% Annual inflation on a \$40,000 Pension (From ages 65 to 110)                                  |                             |                               |
|--|-----------------------------|-------------------------------|
| Age  | Real value of \$40k pension | Pension with \$40k real value |
| 65   | \$40,000                    | \$40,000                      |
| 70   | \$35,354                    | \$45,256                      |
| 80   | \$27,619                    | \$57,932                      |
| 90   | \$21,576                    | \$74,158                      |
| 100  | \$16,855                    | \$94,928                      |
| 110  | \$13,167                    | \$121,515                     |
| Source: Jonathan B. Forman, 'Fully Funded Pensions,' <i>Living to 100 Symposium</i> , Orlando, FL, Jan.14, 2020. |                             |                               |