More Americans Are Retiring Abroad, Without a Massive Nest Egg – Here's How They Made the Leap

Retirement is a hot (and stressful) topic for millions of Americans as high inflation has driven up the cost of living while dwindling savings accounts. However, some retirees have found a way to live comfortably while still saving money: by moving abroad.

At the end of 2021, nearly 450,000 retirees received their social security benefits outside the U.S., an uptick from 307,000 in 2008, according to the Social Security Administration.

The Wall Street Journal spoke to six retirees who moved abroad (with savings ranging from $70,000 to $1.8 million) debunking the myth that relocating overseas requires a massive nest egg.

Six years ago, Halisi Vinson, 58, and Ricardo Crawley, 67, were nearly $25,000 in credit card debt and had less than $50,000 in retirement savings. After analyzing their spending habits and expenses, the couple spent six years drastically cutting back on expenses and increasing their retirement savings. About a year ago, the duo moved to Portugal, where they quickly realized how much less they spend on daily life. Between rent and dining out, the couple spends about $2,600 a month, they told the *WSJ*.

Related: American Retirement Outlook Falls to Lowest Level Since 2012

Another retiree, Matthew Coe, 60, moved from Washington State to Barcelona 13 years ago and says his monthly expenses add up to about $3,000. The former corporate lawyer told the *WSJ* that if he were still living in Seattle, his monthly spending would be nearly $6,500, including travel and healthcare.

During his retirement in Barcelona, Coe invested in local real estate and even started his own business, which helps international buyers find and renovate homes around the city.

“My stress level in Spain is much lower as a result of the lower cost of living and an overall higher quality of life,” he told the outlet.

While moving abroad can seem costly, many countries have visas and tax incentives designed specifically for retirees. For example, Portugal’s Non-Habitual Resident regime grants eligible foreigners tax benefits such as exemption from local taxes for 10 years on income sourced from outside of Portugal (including social security, pension income, salary from outside the country, and more).

In Spain, where Coe resides, there are two main options for potential retirees: the Spain Investors Visa, which grants residency to those who invest in local real estate, companies, or a personal business, and the Non-Lucrative Residence Permit, which grants eligible foreigners residency if they prove sufficient income to support themselves and their dependents.

Related: $1.2 Million Dollars in 6 Months – Retirement Strategy Secrets Revealed

https://www.entrepreneur.com/business-news/some-retirees-are-saving-money-by-moving-abroad/453150