

# Financing your second act: Costs of moving abroad

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Finding a cheap airfare can be tough, but it's child's play compared with the logistics of moving abroad.

Retiring outside the United States can be an attractive option for people looking to live well on less, or simply, to pursue a late-in-life adventure. It can take months or even years to plan well, experts say, but that dream may not be as far out of reach as you think.

Big considerations—like how much, exactly, you'll need—will depend on where you're hoping to move, and the cost of living there. Currency exchange adds to the challenge.

"That's a critical thing to plan for," said Jorge Padilla, a certified financial planner based in Miami. "How do you manage for currency fluctuations?" Consider that although each of your U.S. dollars may be worth 2.25 Brazilian real at one point, that can vary, and exchange fees can eat into your savings.

Consumers still in the workforce will need to check necessary steps and conditions to work in their country of choice as an immigrant. Retirees, meanwhile, will need to consult with the Social Security Administration. (Depending on your destination, **some restrictions may apply** if you opt to have your check mailed abroad.) And unless you're willing to give up your U.S. citizenship, you'll still need to file a tax return each year.

But the biggest financial mistake might be rushing in. "I would strongly recommend everyone who's looking to make this drastic lifestyle change test it out," said Padilla. Take a few longer trips to your city of choice, rent a place and aim to live like a local. "Before you make major changes, you need to make sure you're really going to like it."

—By CNBC's Kelli B. Grant