

Bond Case Briefs

Municipal Finance Law Since 1971

How the Ultra-Rich Use Municipal Bonds in Retirement.

For the ultra-wealthy, municipal bonds aren't just about earning interest. They're a way to lock in tax-free income, cover essential expenses, and free up the rest of their portfolio for higher-growth investments.

But even though muni bonds may offer stable income, they aren't a perfect fit for every retiree, and they come with risks that are easy to overlook.

Key Takeaways

- Municipal bonds offer steady, often tax-free income, but can come with hidden risks like liquidity issues and sometimes even unexpected taxes.
- Wealthy investors often use muni bonds to cover basic living expenses while investing aggressively elsewhere to build more wealth.
- Municipal bonds are best seen as one tool among many—not a complete retirement plan on their own.

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By Jonathan Ponciano

Jonathan Ponciano is a financial journalist with nearly a decade of experience covering markets, technology, and entrepreneurship.

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Fact checked by Suzanne Kvilhaug

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