South Dakota is the Best State to Retire

New York Came in Last

NEW YORK – July 12, 2018 – South Dakota is the best state to retire, according to a new Bankrate.com report. Utah, Idaho, New Hampshire and Florida comprise the rest of the top five. Click here for more information:


The study examined seven categories (weightings in parentheses): cost of living (20%), taxes (20%), health care quality (15%), weather (15%), crime (10%), cultural vitality (10%) and well-being (10%).

South Dakota placed first in well-being, second in taxes, 10th in cultural vitality and 12th in health care quality. Its only bottom-half ranking was the weather (#38).

“You need a sophisticated understanding of what will make you happy in retirement,” said Bankrate.com analyst Taylor Tepper. “Yes, South Dakotans enjoy a low tax burden, but they are also more satisfied with their lives than anyone else. They savor their day-to-day lives, feel financially secure and have a strong sense of community. Residents in the other top states feel similarly. These attributes may better determine what makes for a satisfying retirement than, say, warm weather.”

Utah, Idaho and New Hampshire were also dinged for cold, snowy winters, but they fared very well in the other categories. Utah scored top-10s for taxes, well-being and health care quality. Idaho did particularly well in crime, health care quality and well-being. New Hampshire had more top-10 rankings than any other state (crime, health care quality, taxes, well-being and cultural vitality). But besides the weather, it also rated poorly in the cost of living metric.

Florida is extremely popular among retirees for its warm weather and low taxes. A relatively high crime rate and a subpar grade for health care quality kept the Sunshine State from an even higher ranking.

Among other traditionally popular retirement destinations, Hawaii also did well (#11 overall), but Arizona (#29) and Nevada (#42) did not. The main culprits in Arizona’s case were low ratings for cultural vitality and crime. Nevada was dragged down by health care quality, well-being and crime.

The study found New York is the worst state to retire. The Empire State landed in the bottom 10 of three categories: cost of living (#50), taxes (#49) and health care quality (#41).
New Mexico and Maryland tied for the second-worst spot on the list. New Mexico’s main drawbacks were crime and health care quality; Maryland’s were cost of living and taxes.

Louisiana came in fourth from the bottom and Arkansas was fifth-worst, largely owing to the same four factors (well-being, health care quality, cultural vitality and crime).

Sources: Agency for Healthcare Research and Quality, The Council for Community and Economic Research, Federal Bureau of Investigation, Gallup-Sharecare, National Oceanic and Atmospheric Administration, Tax Foundation, University of Hawaii at Manoa, Western States Arts Federation

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For more information:

Ted Rossman
Public Relations Director
ted.rossman@bankrate.com
917-368-8635