

Tax-Free Retirement: Is It Really Possible?

The answer is yes! Planning for retirement can be a challenge, which is why people seek the guidance of financial professionals. When discussing retirement income strategies, the conversation tends to revolve around some of the most common options: Social Security, pensions, 401(k)s, personal savings and annuities, to name a few. These options certainly have their benefits, but they all have a taxable income stream. What if you had the option to receive tax-free income from a portion of your retirement assets?

Indexed Universal Life Insurance (IUL) is one of the few assets with the ability to provide a tax-free income stream. According to Internal Revenue codes 72(e) and 7702, life insurance proceeds paid to a beneficiary are generally tax-exempt. In addition, the cash value of a life insurance policy accumulates on a tax-deferred basis. If structured properly, that cash value can be accessed via policy loans, and funds received are generally income tax-free!

Some of the possible benefits of Indexed Universal Life Insurance:

- A generally income tax-free death benefit for your beneficiaries.
- The potential to build cash value on a tax-deferred basis for retirement or other financial needs.
- Premium flexibility and various payment options.
- Access to the available cash value of your policy income tax-free, via policy loans.

Protection for you and your family

First and foremost, death benefit protection is one of the primary reasons people purchase a life insurance policy. Indexed Universal Life Insurance provides death benefit protection for your surviving spouse, other family members, or other beneficiaries.

Protection for your accumulation

An Indexed Universal Life Insurance policy earns interest based on the performance of an external index, in much the same manner as a fixed indexed annuity. When the index is up, you receive interest credits (up to a stated cap, which varies by carrier and product). When the index is down, your cash value is protected due to a minimum floor of typically 0%.

Protection for your purchasing power

Once you have retired, you will likely receive income from many different sources. With an Indexed Universal Life Insurance policy, you can choose to supplement your retirement income by accessing the available policy cash value through income tax-free policy loans.

***Indexed Universal Life Insurance can offer you and your family
the protection you need in retirement.***