

GAIN TAX ADVANTAGES NOW AND IN RETIREMENT WITH INDEXED UNIVERSAL LIFE INSURANCE

Diversifying assets in your retirement portfolio is always a smart way to help you reach long-term income goals. It's important to select assets that can help reduce tax risk as your savings grow and when you take retirement income. The following chart focuses on the tax treatment of the types of assets that may be in your retirement portfolio. All of these have a variety of advantages, limitations and restrictions.

What assets are in your retirement portfolio?

Taxable

- CDs and Money Markets
- Mutual Funds and Managed Investment Portfolios
- Savings Accounts

Assets in the **"Taxable"** category are subject to income or capital gains taxes. These recurring taxes can slow growth compared to tax-deferred assets that grow and are taxed later.

Tax-deferred

- 401(k) and 403(b) plans
- Traditional IRAs
- Annuities

Assets in the **"Tax-deferred"** category become taxable when income distributions are taken. These withdrawals can have an impact on tax brackets and modified adjusted gross income (MAGI).

Tax-free

- Roth IRAs
- Cash value life insurance
Such as indexed universal life insurance (IUL)

Assets in the **"Tax-free"** category are typically income tax-free. Withdrawals taken from these assets won't affect tax brackets, MAGI, taxes on Social Security benefits or Medicare premiums.

IUL has other advantages



Death benefit for your loved ones



No income ceilings or IRS contribution limits²



No required minimum distributions (RMDs) to take starting at age 73



No 10% penalty for early retirement distributions taken before age 59½*



Premium flexibility



Distributions can be taken when you want*

*Distributions may be subject to surrender penalties.

GAIN TAX ADVANTAGES NOW AND IN RETIREMENT WITH INDEXED UNIVERSAL LIFE INSURANCE

Do you think taxes will increase?

Contact me to discuss how to help protect your assets and future retirement income.



Q FINANCIAL
& INSURANCE SOLUTIONS

+1 (800) 694-5133
Trevor@q-financial.com

¹ Roth IRA contributions and life insurance premiums are made on an after-tax basis. Roth IRA earnings and withdrawals are generally tax-free once the Roth IRA has been open for at least five years and the owner is older than 59½.

² Contributions are subject to Revenue Code 7702 rules.

Life insurance products contain fees, such as mortality and expense charges, and contain restrictions, such as surrender charges. Life insurance policies are subject to medical underwriting, and in some cases, financial underwriting. Guarantees rely on the financial strength and claims-paying ability of the issuing insurer. Bank products are FDIC-insured up to applicable limits, whereas investments are subject to risk, including possible loss of principal. Product and feature availability may vary by state.

Life insurance loans and withdrawals will reduce policy cash values and death benefits and may cause the policy to lapse or require additional premiums to remain in-force. This assumes the policy is not a modified endowment contract (MEC). Life insurance death benefits are typically tax-free to a properly named beneficiary. Withdrawals from non-MEC life insurance policies are a tax-free return of basis first. Loans from non-MECs are not taxed as distributions for so long as the contract stays in force. MEC policies are taxed differently. Our firm does not provide tax or legal advice. You are encouraged to consult your personal tax advisor or attorney.