

# ETA: ENHANCED TAX ADVANTAGE

Tax-Efficient Strategies That Can Provide More Retirement Income

Our ETA Solution provides tax efficiencies to retain more value in investments. ETA offers a solution to offset the tax burdens from Retirement Plan Distributions, Capital Gains, Higher Education and more.



## HOW DOES ETA WORK?

Using a retirement plan as an example, consider this:

If you have an **effective tax rate of 24%**, and you convert \$100,000 from your 401k to a ROTH, you will owe \$24,000 in taxes.

Rather than paying the taxes out of your income, leaving you with only \$76,000, we **partner with a lender to pay them** instead.

Through financing, **ETA enables you** to keep the entire amount invested and working for you, securing a greater outcome.

### Why take out a loan when you have the funds now? The answer is very simple:

The interest earned on your full \$100k investment offsets the interest expense on the loan to **cover your taxes**. The interest expense is less than the taxes paid, and that difference compounded over time can provide **greater retirement income**.

The details of how this works varies client by client; our proprietary modeling tools show you exactly how it works using your savings figures and retirement goals.



#RETAINMOREVALUE

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# BENEFITS OF USING ENHANCED TAX ADVANTAGE

## CONSIDER THIS EXAMPLE:



**Male | 50, who lives to at least age 89**

Model using previous 40 years (1983-2022)

Assume 37% tax bracket

\$1,000,000 qualified assets

**1**

### Leave Savings in the Retirement Plan

- Pay roughly \$2M in taxes
- **Receive only \$3.4M after-tax income**

**2**

### Transfer \$1M to an ETA

- Pay \$0 in out-of-pocket taxes
- **Receive \$4.9M tax-free income**

### Potential Candidates For ETA:

- Anyone with \$500k in a retirement plan
  - Employees/Business Owners/Retirees
  - All ages 70 and below
  - We have solutions for those over 70
- Anyone who inherited a retirement plan
- Those looking to maximize amount left to beneficiaries
- Those looking for tax efficiencies