

IRA Maximization



Concept: Where the IRA income is not needed, leveraging the after tax value of the distributions to purchase life insurance and increase the net amount left to the heirs.

Client Name:	Mr. Valued Client	Option 1: Keep the IRA	
Client Gender:	Male	Results at Mortality Age:	91
Client Age:	70	Value of IRA Asset:	\$374,913
Underwriting:	Standard Nonsmoker	Side Fund (Reinvested RMD):	\$1,687,735
Spouse Name:	Mrs. Valued Client	IRD and Estate Taxes:	\$112,474
Spouse Age:	70	Total Net Left to Heirs:	
Spouse Gender:	Female		
Underwriting:	Preferred Nonsmoker		
Mortality Year:	21	\$1,950,174	
IRA Balance:	\$1,000,000		
Growth Rate: (Assuming a 1% Advisory fee and 0.5% investment fee)	6.50%	Not Guaranteed	
Income Tax Rate:	30%		
Estate Tax Bracket:	0%		

Option 2: Using the IRA to Purchase a Guaranteed Life Insurance Policy

Policy Type:	SGUL	Total Net Left to Heirs: (Through life insurance death benefit)	
Annual Premium:	\$45,000	\$2,348,702	
Payable (Yrs.):	Lifetime		
Guaranteed Period:	Age 100	Fully Guaranteed	
Value of IRA Asset:	\$374,913		
IRD and Estate Taxes:	\$112,474		
Tax- Free Life Insurance	\$2,086,263		

Option 3: Using the IRA to Purchase an Index Life Insurance Policy

Policy Type:	SIUL	Total Net Left to Heirs: (Through life insurance death benefit)	
Annual Premium:	\$45,000	\$2,820,403	
Payable (Yrs.):	Lifetime		
Projected to age:	Age 100	Not Guaranteed (Using a Index Life insurance product projected to go to at least age 100)	
Value of IRA Asset:	\$374,913		
IRD and Estate Taxes:	\$112,474		
Tax- Free Life Insurance	\$2,557,964		

Assumes insurance policy is paid for by the insured, but owned outside of the estate, and is not exposed to estate taxes.

IRD - Income in respect of a decedent

GSUL - Guaranteed Survivorship Universal Life. GUL - Guaranteed Universal Life. GIUL - Index Survivorship Universal Life. IUL - Index Universal Life.

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Guarantees are based on the claims paying ability of the issuing insurance company.

Growth rates are hypothetical and are not representative of any specific product.

Investment and Insurance Products:

Not FDIC Insured	No Bank Guarantees	May Lose Value
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