



WELCOME TO OUR PRESENTATION TODAY. I'D LIKE TO THANK YOU ALL FOR COMING. MY NAME IS _____ AND I'M THE FOUNDER/PRESIDENT OF _____ AND I'LL BE YOUR PRESENTER TODAY. THANK YOU FOR JOINING US!

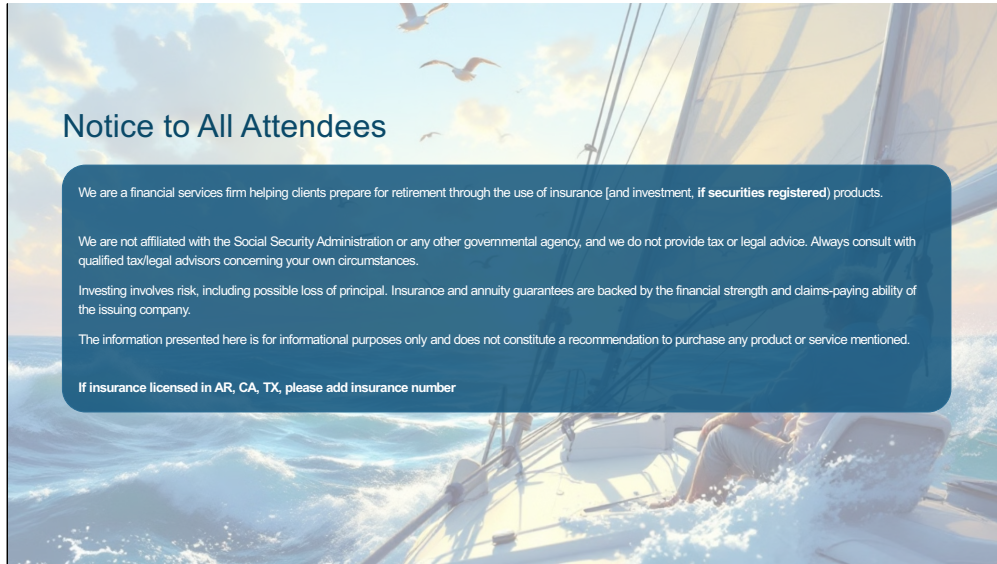
FIRST OFF, CAN EVERYONE SEE AND HEAR ME? IF NOT PLEASE TYPE INTO THE CHAT BOX ON YOUR SCREEN IF THERE'S ANY TECH ISSUES ON YOUR END.

THIS IS A GREAT TIME TO INTRODUCE YOURSELF AND YOUR COMPANY TO THE AUDIENCE. FEEL FREE TO INCLUDE WHY YOU GOT INTO THE BUSINESS, INFO ABOUT YOUR PERSONAL LIFE, A SHARED EXPERIENCE OR MENTION YOUR SERVICES. MAKE A CONNECTION WITH YOUR AUDIENCE

These are difficult times for many Americans and there are a lot of uncertainties in the world and in the market. Our job is to try and help people simplify where their money is going to come from and protect the assets, that they'll need income from. They will need income to help ensure that things going on in the world don't have a negative impact on their day to day lives.

At the end of this presentation, you'll likely have questions about your specific situation, and we're here to help. We are here as a resource and are available for phone or virtual meetings to discuss your goals and strategies.

I'd like to discuss a few housekeeping notes. As I said, our presentation today will take about 45-minutes. You can add any questions you have in the chat box, which can only be seen by myself. I'll also be reaching out to everyone after the presentation and I'm happy to answer your questions one-on-one.

A photograph of a sailboat on the ocean with a dark blue text box overlaid. The background shows a sailboat on a blue sea under a bright sky with seagulls. The text box contains the following information:

Notice to All Attendees

We are a financial services firm helping clients prepare for retirement through the use of insurance (and investment, if securities registered) products.

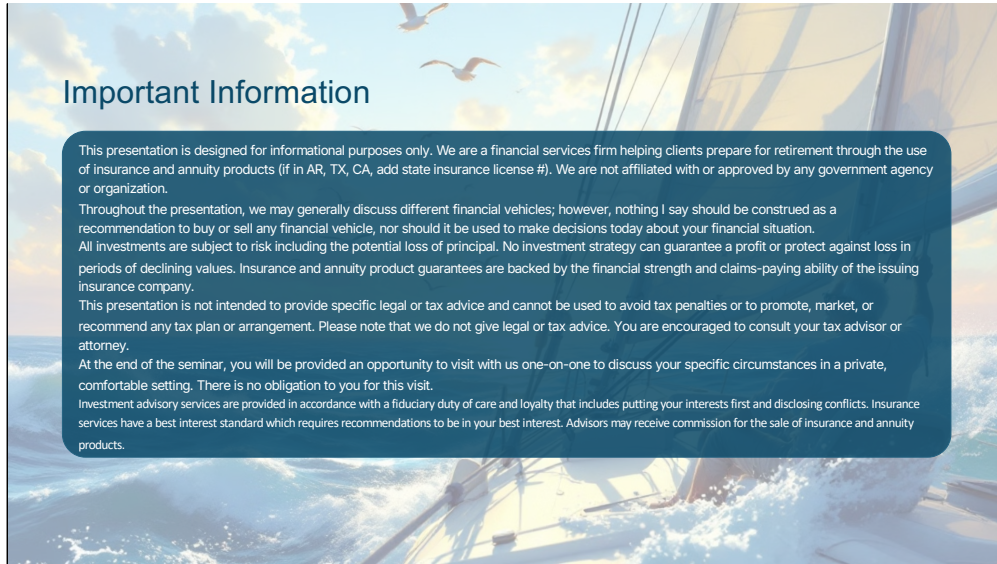
We are not affiliated with the Social Security Administration or any other governmental agency, and we do not provide tax or legal advice. Always consult with qualified tax/legal advisors concerning your own circumstances.

Investing involves risk, including possible loss of principal. Insurance and annuity guarantees are backed by the financial strength and claims-paying ability of the issuing company.

The information presented here is for informational purposes only and does not constitute a recommendation to purchase any product or service mentioned.

If insurance licensed in AR, CA, TX, please add insurance number

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Throughout the presentation, we may generally discuss different financial vehicles; however, nothing I say should be construed as a recommendation to buy or sell any financial vehicle, nor should it be used to make decisions today about your financial situation.

All investments are subject to risk including the potential loss of principal. No investment strategy can guarantee a profit or protect against loss in periods of declining values. Insurance and annuity product guarantees are backed by the financial strength and claims-paying ability of the issuing insurance company.

This presentation is not intended to provide specific legal or tax advice and cannot be used to avoid tax penalties or to promote, market, or recommend any tax plan or arrangement. Please note that we do not give legal or tax advice. You are encouraged to consult your tax advisor or attorney.

At the end of the seminar, you will be provided an opportunity to visit with us one-on-one to discuss your specific circumstances in a private, comfortable setting. There is no obligation to you for this visit.

Investment advisory services are provided in accordance with a fiduciary duty of care and loyalty that includes putting your interests first and disclosing conflicts. Insurance services have a best interest standard which requires recommendations to be in your best interest. Advisors may receive commission for the sale of insurance and annuity products.

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Meet Joe

John Smith is a Certified Financial Planner with over 20 years of experience in financial planning and retirement advice. John holds a bachelor's degree in finance and an MBA from a top university. John has a deep understanding of the financial complexities of retirement and has helped countless clients plan for a comfortable and secure retirement.



My name is _____. and I'm the President/Founder of _____.

For nearly ____ years, our clients have asked us to help them prepare for retirement.

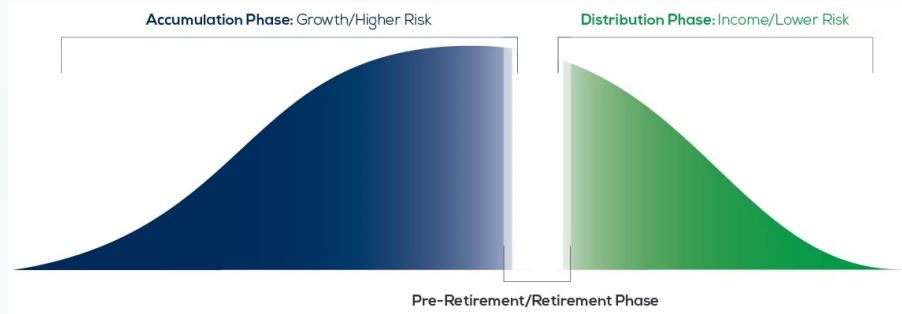
Typically, when people come to us they're concerned about a few common areas: _____.

They're unsure what the best way is to go about _____.

We provide financial and insurance strategies for folks who are in or near retirement.

Phases of Financial Lifetime

Retirement planning is a journey with different stages. The early years focus on building wealth through work and saving, while the later years prioritize income and spending. Understanding these phases helps make informed financial decisions and avoid costly mistakes.



What I'm going to talk about mostly is that there are two main phases to everyone's lifestyle. There is the accumulation phase and the distribution phase.

The accumulation phase is when you are putting money away and saving money.

The distribution phase is really what we're going to focus on today. We will cover what the impact on your life could be depending on how you decide to distribute your money. From the standpoint of where the money is invested, to what tax qualifications and what the best way is to spend down that money.



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Topic 1: Taxes in Retirement

Let's jump right into it the first topic, Taxes in Retirement.



Seek Professional Help

● Traditional IRAs (tax-deferred):

You must pay taxes on distributions or conversions at ordinary federal and state rates

● Roth IRA (non-deductible):

Money grows tax-free and earnings may be withdrawn tax-free in accordance with IRS rules.

● State taxes:

You may still face state taxes, consult with your tax professional

First, you want to make sure you seek professional help, because everyone's situation is different.

With Traditional IRAs, you want to make sure you know how your traditional IRA will impact you. You need to understand how income from these accounts will impact your taxes. The reason is you must pay taxes on these distributions or conversions at ordinary income tax rates.

You want to make sure you know about Roth IRAs. Roth money grows tax free, and you want to make sure you are familiar with state taxes because the way your state deals with state taxes may vary.

Withdrawals before age 59-1/2 are subject to an additional 10% federal penalty for both the traditional and Roth IRA. Also, for the Roth IRA, tax-free income is possible if the account has been open for at least 5 years and the withdrawal is after age 59-1/2.

As a reminder I'm an insurance professional so I don't provide tax advice. What I do is help people understand the tax code and the other rules that impact their finances. When we develop an income strategy, we're able to account for some of the tax issues that arise in retirement.

Problem and Solution

● Problem: Confusing Tax System

People often pay more in taxes than expected because a confusing system treats various income types differently and contains tax penalties.

● Solution: Tax Exposure Shifts

Because your tax exposure will change throughout four stages of retirement, you'll need a strategy that anticipates both traditional taxes AND possible taxes, surcharges, and penalties related to Social Security, Medicare, and other income.



People often pay more taxes in retirement than they need to or expect to. It's a confusing system and it treats different types of income differently. This can lead to mistakes.

In the accumulation phase, people build their assets in several different forms. In the distribution phase your wages stop coming in. You'll have to start taking the money you've saved to fund your retirement, and that retirement can go on for decades. So, you'll need to make an informed decision based off the tax implications of tapping different accounts. Which account you tap first, the order and the amount you take in each, can make a big difference. Poor choices through guessing, or misunderstanding, can result in paying more taxes than necessary and that's what I don't want for you.

As a result of those implications, you may see less money to spend in retirement or less to spend on kids or grandkids. We of course we don't want that to be you. So being here today means you're willing to work on a solution and that's the first step. We're here to help.

Because your tax exposure will change throughout what we call the four stages of retirement, you're going to need a strategy that anticipates traditional taxes and possible taxes surcharges and penalties. These can relate to social security, Medicare, and other income sources. So that means you need an informed and proactive strategy that addresses how to create your income in retirement. My goal is to introduce you to the major aspects of such a strategy and show the challenges that many of us face, and how to come up with a workable solution.

The first step is to understand the type of taxes you may face. You'll also need to understand the retirement expenses you'll face. You'll need to create a strategy that helps you decide which assets you should be tapping into first, how much you should be taking, and when those distributions should occur. If you can get this right, these steps can help lower your overall tax rate.



A Complex World

- **Tax Shift**
Taxes during the accumulation phase (saving) may differ from those in the distribution phase (spending).
- **Tax Breaks Disappear**
child tax credits, mortgage interest deductions, employer-paid medical insurance, retirement plan contributions
- **New Challenges**
Social Security, RMDs, paying for Medicare, long-term care

Our goal here is to help you understand that the retirement distribution phase is much different than when you are saving for retirement. Chances are you've been working really hard to save money in the accumulation phase. So, as you prepare to retire retirement you are in an entirely different phase of life. This is the distribution phase. This phase has new strange rules that can catch you off guard.

Along with those rules, you're also going through changes that could impact your taxes. Some examples include:

- No more child tax credits
- Your house may be fully paid off which means no more mortgage interest deduction
- If you're already retired, you will no longer be receiving tax-free employer-paid medical insurance, or contributions to 401k or similar

At some point, you'll start taking social security and you'll reach the RMD phase, which means Required Minimum Distributions. When you hit RMD you'll have to start taking distributions from your account whether you want to or not. Understanding what these changes are and how they can impact you is critical.



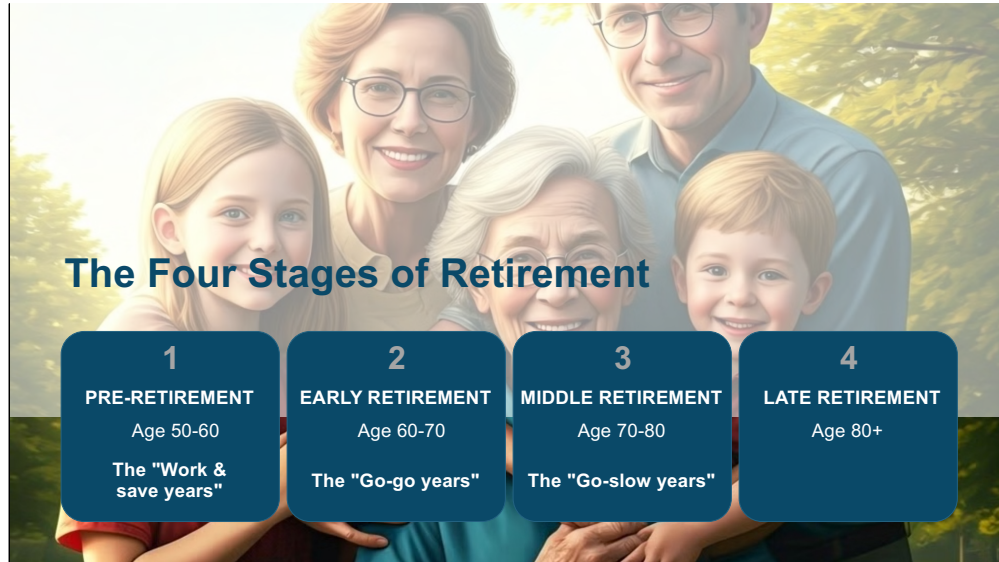
Retirement Surprises

- Inflation**
People view their future costs in current dollars and don't anticipate how those costs will grow with inflation.
- Longevity**
People end up living longer than they expect, which requires more money.
- Expenses**
People underestimate how much they need to maintain their pre-retirement standard of living.
- Healthcare**
People don't realize how much of their savings will be spent on healthcare costs.

Even the best planning will have to divert from reality at some point because there are so many unknowns. These include:

- 1) Inflation
- 2) Longevity
- 3) Expenses
- 4) Healthcare

We will cover examples of how these surprises can impact you in later slides.



First, you will enter the pre-retirement phase. These are the final working years of your life. Often the period you're able to put away the most in savings, then you've been able to your entire life. This may be the greatest opportunity to save. Typically, these are your highest earning years and reduced expenses.

Next are your early years of retirement. Sometimes people will call these the go-go years. They have grand plans for this period of their life, things they couldn't do while working or raising a family.

Next are your Middle retirement years. These you might call the slow go years. This stage brings more financial decisions into play such as how to deal with RMDs, and how to deal with other retirement accounts.

Finally in Late Retirement, you're thinking more about legacy, estate, and you'll see there are a wide range of issue in these stages to plan for.



4 Key Points

- 1. You must know what your after-tax retirement savings picture looks like BEFORE retiring.**
 - If you have \$500,000 in your 401(k)/IRA, it's not really \$500,000. Taxes must be paid
 - If you're already retired, you'll want to start evaluating next year's potential tax bill before you start tapping assets in the new year.
- 2. Social Security and Medicare have "tax considerations" and you need to plan for them, too**
 - IRA withdrawals can cause the taxation of Social Security benefits, and push taxpayers into a higher marginal tax rate
 - Higher income (i.e. withdrawing assets) can cause potentially hundreds of dollars a month extra in Medicare premiums.

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4 Key Points

3. You must plan how and when you will use taxable, tax-deferred, and tax-free assets to manage your income and tax brackets effectively

- Consider starting to draw down IRAs now, or converting to Roth IRAs, so that your required minimum distributions (RMDs) won't have as large an effect on Social Security taxation and Medicare premiums.
- Also consider donating your RMDs directly to charity to avoid paying income tax on the distributions.

4. Organize your assets for your family's benefit – Estate Planning still matters!

- If you have a terminal illness, make sure to think about step-up basis strategies
- There are multiple ways to leave IRAs as an inheritance, you need to make sure your heirs get the best and easiest transfer
- Long-term care is a major concern for many people. You need to plan how you will fund this likely expense, and still leave an inheritance for your heirs.

#3: You must plan how and when you will use taxable, tax-deferred, and tax-free assets to manage your income and tax brackets effectively

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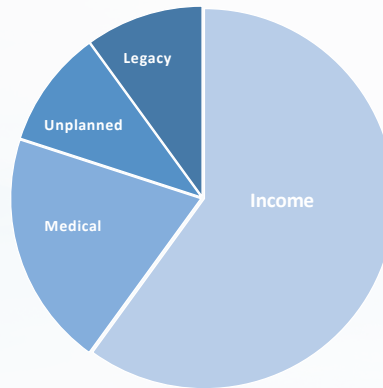
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If you have a terminal illness, make sure to think about step-up basis strategies. There are multiple ways to leave IRAs as an inheritance, you need to make sure your heirs get the best and easiest transfer. Long-term care is a major concern for many people. You need to plan how you will fund this likely expense, and still leave an inheritance for your heirs.



1 Key Risk – Alan's IRA



Example shown for illustrative purposes only. Your actual situation will vary.

Now I'll provide a hypothetical example of why taxes are so important.

Alan's IRA may look like this. Please note, this is hypothetical only. I'm not offering investment advice, nor is this meant to be a true representation of how Alan's IRA will be used. This is just a visual example to show you how Alan's IRA may be used over his lifetime.

-The biggest portion of his IRA will likely go to income.

-Next, he may use some for those medical expenses we discussed, and any unplanned expenses he and his wife encounter.

-And finally, whatever is left in his IRA when he dies will go as legacy to his children and grandchildren.

Now, this is where longevity becomes important. If Alan and his wife live longer than he plans, it's okay. He's saved enough funds to cover that. But that means the balance between income and legacy will be adjusted. He'll use more of the funds while living and have less to leave as legacy. (The opposite would also be true – if he lives a shorter life, he could leave more legacy because he would have used fewer funds for other purposes.)

So, Alan has a plan for using his IRA. But this graph doesn't really represent the funds Alan and his heirs can access. It's actually less than what we've shown and that's because Alan has his money saved in a qualified account. This means he deferred taxes when putting funds into his IRA and will pay taxes when he takes funds out of his IRA. So really, the amount of funds Alan will have for income, medical, emergencies and legacy are reduced by the taxes he'll pay.

If you have any questions on the first section, make sure to sign up for your complimentary appointment. **put up appointment pop-up**



Topic 2:
Changes in Legislation The SECURE Act 2.0

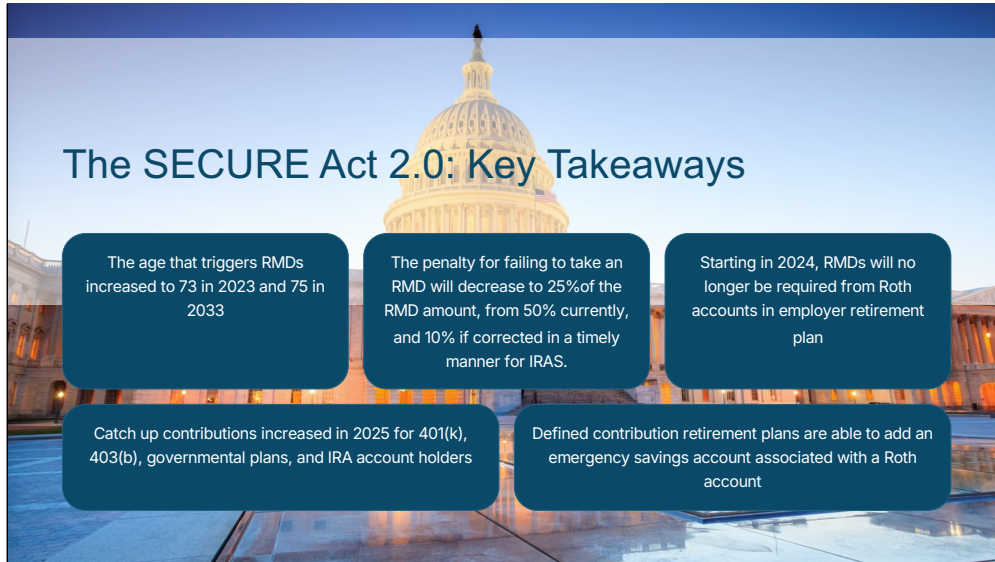
Now we will go over the Secure Act 2.0, which stands for Setting Every Community Up for Retirement Enhancement.

The SECURE Act 2.0

- **Setting Every Community Up for Retirement Enhancement**
 - Signed into Law on December 29, 2022
 - Enforced as of January 1, 2023
- Will have significant impact on Retirement Savings, Legacy Planning, RMDs



On December 29th, 2022, President Biden signed into law the SECURE Act 2.0. The SECURE Act 2.0 ushers in a list of new policy and rule changes to retirement plans, income distributions, RMDs, IRAs, legacy planning and more. Millions of Americans are expected to be impacted in some way by this new legislation, and today we'll cover the most important areas with respect to your retirement and legacy planning.



Changes the Secure Act 2.0 Brings to Retirement Planning—The SECURE Act is aiming to help the next generation of retirees save better for retirement. I'll cover those who are most likely to have an impact of those in the room today.

1. Big changes to RMDs: The age at which owners of retirement accounts must start taking RMDs increased to 73. The old age to begin taking RMDs was 72, so individuals will have an additional year to delay taking a mandatory withdrawal of deferred savings from their retirement accounts. SECURE 2.0 also pushes the age at which RMDs must start to 75 starting in 2033.

2. Higher catch-up contributions: Starting January 1, 2025, individuals ages 60 through 63 years old can make catch-up contributions up to \$10,000 annually to a workplace plan, and that amount will be indexed to inflation.

3. Matching for Roth accounts. Employers will be able to provide employees the option of receiving vested matching contributions to Roth accounts (although it may take time for plan providers to offer this and for payroll systems to be updated). Previously, matching in employer-sponsored plans were made on a pre-tax basis. Contributions to a Roth retirement plan are made after-tax, after which earnings can grow tax-free.

4. Qualified charitable distributions (QCDs). Beginning in 2023, people who were age 70½ and older may elect as part of their QCD limit a one-time gift up to \$55,000, adjusted annually for inflation, to a charitable remainder unitrust, a charitable remainder annuity trust, or a charitable gift annuity.

5. Automatic enrollment and automatic plan portability. The legislation requires businesses adopting new 401(k) and 403(b) plans to automatically enroll eligible employees, starting at a contribution rate of at least 3%, starting in 2025.

6. Emergency savings. Defined contribution retirement plans can add an emergency savings account that is a designated Roth account eligible to accept participant contributions for non-highly compensated employees starting in 2024.

7. Student loan debt. Starting in 2024, employers are able to "match" employee student loan payments with matching payments to a retirement account, giving workers an extra incentive to save while paying off educational loans.

8. 529 Plans. After 15 years, 529 plan assets can be rolled over to a Roth IRA for the beneficiary, subject to annual Roth contribution limits and an aggregate lifetime limit of \$35,000. Rollovers cannot exceed the aggregate before the 5-year period ending on the date of the distribution. The rollover is treated as a contribution towards the annual Roth IRA contribution limit.

Because each and everyone of you here with me today have completely different situations that should be addressed one on one, if you are interested in learning more, we can go over this in more depth during our one-on-one appointment. There are a number of viable strategies that fit each unique situation, and is certainly not a "one size fits all" solution.



Tax planning is really important when it comes to how you should spend down your money. But if you don't have any money in the first place because of poor financial decisions, then taxes almost become irrelevant. But there are some risks that people look at when going into retirement.



1. Bear Markets - Why the Sequence of Returns Matters

The sequence of returns may have less of an impact on the portfolio of a long-term investor who is no longer putting money in, nor taking money out.

However, the relationship between an investor's rate of withdrawal and the sequence of returns can have a **dramatic** impact on a portfolio's ability to last during the withdrawal period (usually during retirement).

This is obviously a huge one, a Bear Market. A Bear Market is a 20% or more drop in the stock market, which we had in Q1 of 2020. Granted the market rebounded probably quicker than everyone wanted, which is great. But I don't personally think this is over and at some point, the market could start to come down.

I want to go into a little bit of an explanation as to what we call the sequence of returns. How you invest your money can have a profound impact on how much money you have, depending on how the money is made, while you're distributing money.

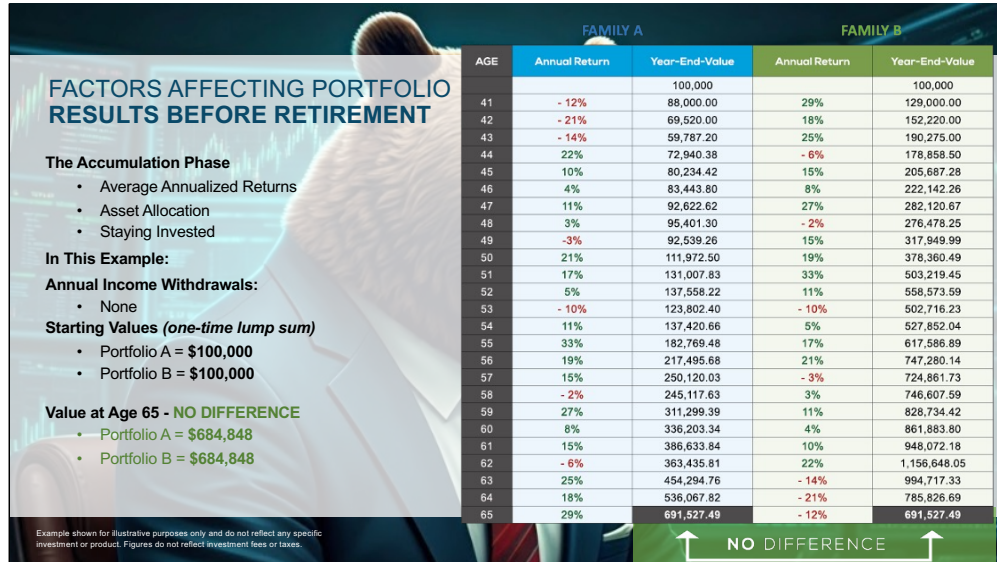
Say you're saving money in an account, that's sitting aside, and you're not touching it. If you're not taking money out of it and you're not putting money into it, the market can impact your account. The market can go up, or it can go down. It can go up nonstop or you can end up with the same amount of money if you average say 5 or 6% return.

But once you start pulling money out of the account, it has a completely different impact.

I'm sure it would surprise most people today that if two people retired at the same age:

- With the same amount of money
- Averaged the same 8% rate of return
- And withdrew the same exact amount per year

That one could reach his 90's with more than he started, while the other retiree becomes bankrupt in his mid 80's.



this chart is from an internal source

On this slide, I know it's a busy slide but bear with me on it, I'm going to spend a little time on this. This is an example of two individuals:

- Both in their early 40s
- Both Portfolios have starting values of \$100,000
- Both average the same 8% overall annual return

Neither of them are taking any money out of the account.

Portfolio A has 3 terrible years in the beginning and portfolio B has 3 wonderful years in the beginning.

Then it happens the opposite way at the end.

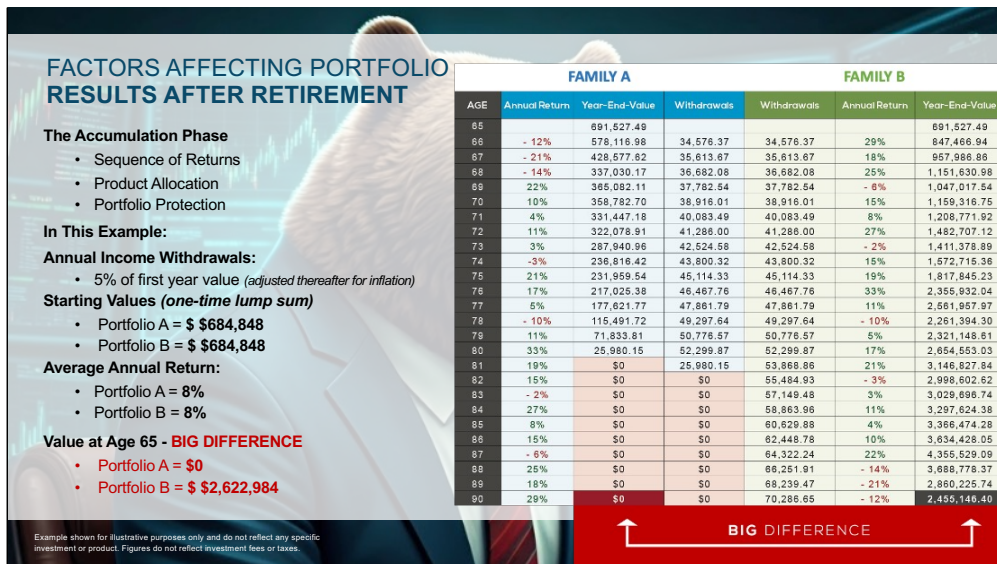
Portfolio A has 3 great years and portfolio B has 3 terrible years.

If you look closely at those returns all I did was invert the returns, they're hypothetical but all I did was turn them upside down.

So, A is the opposite of B.

They both averaged 8% when they hit 65, they both had \$684k and change, exactly the same amount of money.

But let's look at when these two individuals hit 65/66, and they start to take money out of the account to maintain the same lifestyle because they're retired.



this chart is from an internal source

We set these up in this example to set 5% of the original deposit out, adjusted for inflation, and withdraw that money every year. You can see the huge difference between these portfolios.

Portfolio A had 3 bad years beginning and 3 great years at the end. That individual completely runs out of money. Portfolio B has 3 great years at the beginning, 3 terrible years at the end and has 2.6+M dollars in their 90s. They both averaged an 8% rate of return, both withdrew the same amount of money, and unfortunately, one of them completely ran out of money.

You don't want to be portfolio A. You want to have, and this is part of what we would do, and is such an important part of your retirement strategy, is balance. You want to have at least a portion of your assets that are protecting you, protecting your income, meaning it cannot go down if and when the market goes down.

That way you've got one portion of your assets that's protected so if the market drops you don't have to take money out of a bleeding account. You don't want to be selling off holdings when the market is down. That can quickly deplete retirement funds. So, if the market drops, you've got a protected place to withdraw money from so your essential expenses and your lifestyle doesn't change, or at least not significantly.



Market volatility again goes off of what we just talked about.

The market goes up and down, it does not go in a straight line. It's irrelevant maybe while you're not taking money out of the account, but when you start pulling money out of the account, you don't want to be in that sort of a position. You don't want to be in a situation where you're looking at it and saying oh my gosh my next distribution is my last distribution.



Let's talk about something that feels 'safe' but can quietly create risk over time—low interest rates.

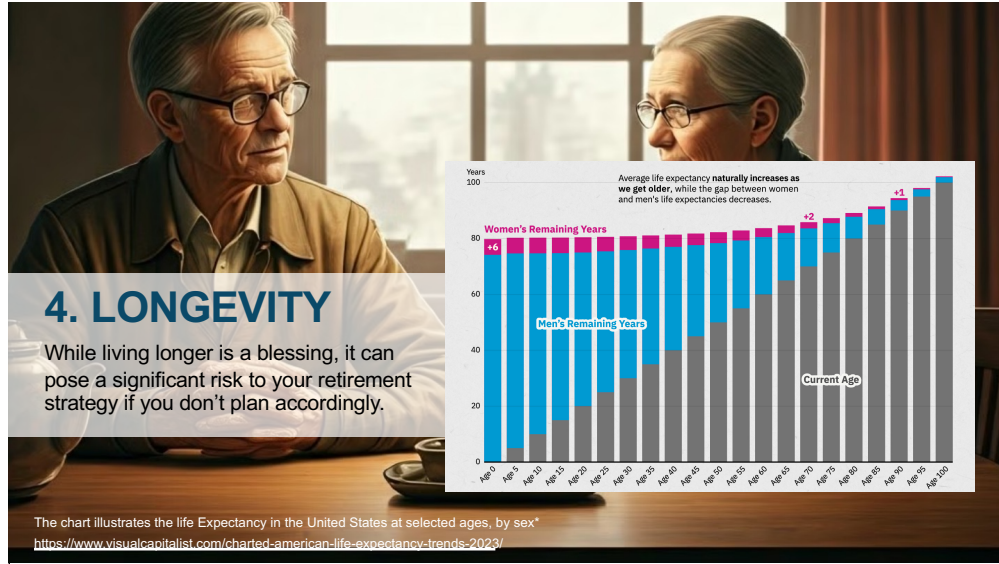
When money sits in a bank CD, the account value may look stable, but what really matters is purchasing power. If your CD rate is lower than inflation, you can end up with more dollars on paper, but the ability to buy goods and services can actually go down.

This chart shows how 5-year CD rates moved over time. The key takeaway isn't just that rates rise and fall—it's that when rates are low, many savers are losing purchasing power due to inflation. And this matters in retirement because retirement isn't just an investment issue—it's a distribution issue too. Once you start taking income from your savings, the order of returns and the reliability of your income sources becomes more important.

That's why we think in buckets:

- money that needs to be stable and accessible,
- money designed to produce reliable income, and
- money positioned for long-term growth potential

The goal isn't to avoid CDs. The goal is to understand what role they play—and make sure your 'safe' money isn't quietly losing ground year after year."



Risk #4 is longevity — and this is the one people *want* to have, but it can quietly break a retirement plan if we don't design for it.

Living longer is a blessing. The risk is simply this: the longer you live, the more chances you have for the plan to run into headwinds — inflation, healthcare costs, long-term care, and market cycles. Retirement isn't a 10-year event anymore. For many families it can be 20, 25, even 30+ years.

This chart is a helpful visual: as you age, your remaining life expectancy is still meaningful — and women, on average, tend to have more remaining years than men. That matters because it increases the odds that at least one spouse lives well into their late 80s or 90s.

So the question we're trying to solve isn't 'How do you retire?' It's 'How do you stay retired?'

That's why we emphasize building a plan that includes:

reliable lifetime income sources you can't outlive,

a strategy designed to help keep up with inflation,

and a structure that can help reduce the impact of market volatility during withdrawals.

The takeaway: if we plan for a longer life, we're not being pessimistic — we're being prepared.



Risk #5 is **inflation**—the quiet one. It doesn't feel dramatic month to month, but over a 20–30 year retirement it can be the difference between feeling comfortable and feeling squeezed.

That's why the question on this slide matters: **what does \$1,000 today look like tomorrow?** The real issue isn't what things cost today—it's what your lifestyle costs **10, 20, 30 years from now**.

This chart shows inflation moving year to year. Some years it's low and easy to ignore. Other years it spikes—and those spikes are what hit retirees the hardest, because you're paying higher prices while relying on withdrawals and fixed income sources.

So the planning takeaway is simple:

We need part of your plan designed for **stability and liquidity**,

part designed for **reliable income**, and

part positioned to **grow** so your purchasing power has a chance to keep up over time.

Inflation isn't a one-year problem. It's a retirement-length problem—so our strategy has to be built for the long game



Topic 4:
Social Security Strategies



When Can I File?

MIN/MAX AGES

- Born After 1937
- Minimum Age 62
- Maximum Age 70

FULL RETIREMENT AGE (FRA)

- Born 1943-1954
- FRA Age 66
- See Chart at [SSA.gov](https://www.ssa.gov)

NOTE:

If you were born on January 1st of any year, you should refer to the previous year. If you were born on the 1st of the month, we calculate your benefit (and your full retirement age) as if your birthday was in the previous month.

Can I Work and Collect Benefits?

If you begin collecting before your FRA the amount of "Earned Income" you can make without penalty is significantly reduced.

2025 Numbers

Before FRA (62-65)

- Exempt Amount \$24,480
- \$1 Reduction/\$2 Income

During FRA (66)

- Exempt Amount \$65,160
- \$1 Reduction/\$3 Income
- Monthly Offset





Will My Benefits Be Taxable?

INDIVIDUAL FILING

0% of Benefits Taxable

- Less Than \$25,000

50% of Benefits Taxable

- Greater Than \$25,000
- Less Than \$34,000

85% of Benefits Taxable

- Greater Than \$34,000

MARRIED FILING JOINTLY

0% of Benefits Taxable

- Less Than \$32,000

50% of Benefits Taxable

- Greater Than \$32,000
- Less Than \$44,000

85% of Benefits Taxable

- Greater Than \$44,000



Topic 4
Hypothetical Case Studies

JOE: AGE 63

Misinformation cost him \$22,000

- Earned \$15,000 at Lowes
- Pension \$80,000
- Income \$95,000

Example shown for illustrative purposes only and is not a prediction of future results.



I'm going to give you a quick case study, about how some misinformation from the Social Security Administration can cost you. They aren't in the advice-giving business, they are in the business of processing your application.

So, let's say Joe called them to see what his benefits would be. Joe is a retired teacher with a \$80,000 pension with a 50% survivor benefit, if he passes away his wife will get \$40,000. He decided to wait on his Social Security until he was 70 since they could live comfortably on his pension. If he waited until 70, it was a bigger social security benefit, and bigger survivor benefit. Unfortunately, that plan changed once his wife passed away. Financially he is now a single person so now he's looking at social security in a different light.

Now let's say he goes back to work, just for something to do, working at Lowe's part time. He was making about \$15,000 a year. He's not great at technology so decided to call the SSA and asked what he would get at age 63. SSA asked how much money he makes, and he said \$95,000. They told him that he makes far too much money since he's over the income threshold of \$18,960, which was the threshold at that time.

I would've told tell him that you earned \$15,000, not \$95,000. It's all basically income to him but it's not all earned income. So, he may want to consider filing for Social Security. This all happened because somebody didn't ask him what his earned income was and that cost him dearly. Don't be in this situation. Make sure to look at your own strategy and make sure it's working for you.

MARRIED COUPLE: AGE 65

- Received Life Insurance Death Benefit
- Placed funds into Bank CD
- Two 401(k)
- Social Security

Example shown for illustrative purposes only and is not a prediction of future results.



This is an example of a couple that we work with. We helped them reduce the taxation on their Social Security just by spending their money in a slightly different way.

Their back story is that her parents passed away and left her and her sister \$1,000,000 in a life insurance policy. She had her 50% share of \$500,000 and put it in the bank as a long-term CD, making about 4.5%. They both had 401k and social security. They have two daughters. Their plan was to live off the interest on the CD and whatever their 401k makes. Then they will file for social security so they can leave their assets to their daughters. They wanted to leave a legacy just like her parents did for her.

After reviewing their financial information and objectives, I noted a couple of issues. First, all of these distributions are taxable. So as a result, their social security will then be taxable. Secondly, it will be difficult to budget based off their 401ks, since the funds are subject to the ups and downs of the market. Also, interest from a CD is counted as income for SSA taxation purposes.

They might want to consider some alternative options. For example, if we placed a portion of their assets in a fixed annuity product, they are guaranteed not to lose those funds. Also, income from an annuity is not taken into account when determining if your social security income is taxed. They can receive guaranteed income for life that won't fluctuate with the market.

If they want to leave a legacy for their daughters, they could use a portion of their CD funds to fund a life insurance policy. The life insurance would provide a tax-free benefit to their daughters. Note that the funds coming out of the 401k would be taxable.

With either of these scenarios, they can control their income over their lifetimes and their kids get a tax-free inheritance when they pass away.

RETIRING CPA

How Can I Protect My Nest Egg?

- Retiring CPA - Always managed their own money
- Wanted to sail and play golf
- Concerned the market run was reaching an end
- Didn't want to worry about his wife if he died

Example shown for illustrative purposes only and is not a prediction of future results.



How can I protect my nest egg? This is another common question we get. Here's an example of another client of ours.

He's a CPA getting ready to retire. He was a partner at a CPA firm and is getting ready to sell his business. His whole working life he managed his money himself. He wants to retire from his business but also retire from managing his money. He wants to transition out over time and enjoy some hobbies and travel. His wife didn't have any involvement in the finances also. So, he was worried if something happened to him that she wouldn't know what to do, what to ask, etc. He is also pretty worried about the market.

They had about \$1.6 million total:

- \$800k in 401k
- \$400,000 in an investment account
- \$400,000 off shore account for tax purposes

He let me know that the market downturns led to many sleepless nights and said he could ride it out while working. But couldn't afford to have that happen again in retirement.

RETIRING CPA

- Annuity funds are guaranteed not to lose value
- Opportunity for guaranteed lifetime income
- RMDs can be used for any purpose, including leaving a legacy to their children

Purchasing an annuity within a retirement plan that provides tax deferral under sections of the Internal Revenue Code results in no additional tax benefit. An annuity should be used to fund a qualified plan based upon the annuity's features other than tax deferral. All annuity features, risks, limitations, and costs should be considered prior to purchasing an annuity within a tax-qualified retirement plan.

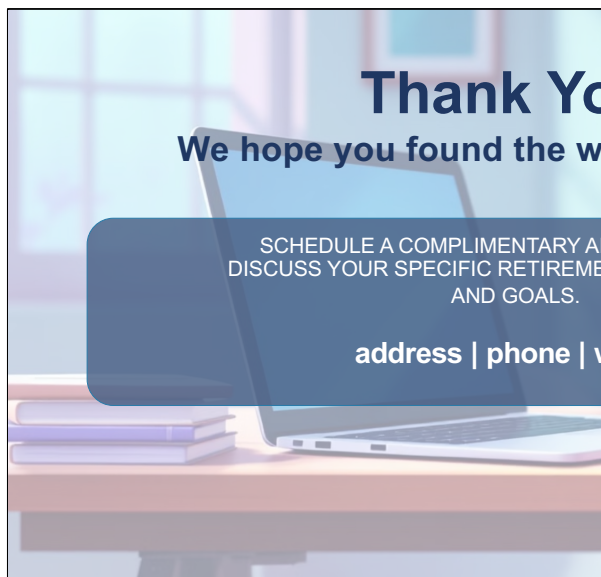
Example shown for illustrative purposes only and is not a prediction of future results.



One option might be to take a portion of their funds to purchase a fixed or fixed index annuity. This way, those funds are guaranteed and protected against market loss, and they can receive guaranteed lifetime income. Since these funds are held within an IRA, they will need to start taking RMDs at age 73 (beginning in 2024).

They can use these funds however they choose, but one option might be to use them to fund a legacy trust to leave a benefit to their children when they pass.

If you have any questions on the last section, make sure to sign up for your complimentary appointment. **put up appointment pop-up**. I just have a few more important items I want to also share with you.



Thank you for joining me today! I really appreciate you taking the time to learn more about Taxes in

you can also include a quick content summary to finish off the educational content

I am offering a complimentary meeting where we will:

- 1) Look at your current situation and assets and see if there's anything that should be changed.
- 2) Address any Social Security questions you might have
- 3) Answer your retirement questions and help put your mind at ease that you're still on the same track

I will put up the *appointment pop-up* for you all one last time. I will also be following up with each client to setup a complimentary appointment if you haven't already.

mention any incentives you are offering for those that setup an appointment with you

Remember, we are here as a resource for you and are only a phone call away.

Thanks again and have a great rest of your day. Talk to you soon!