

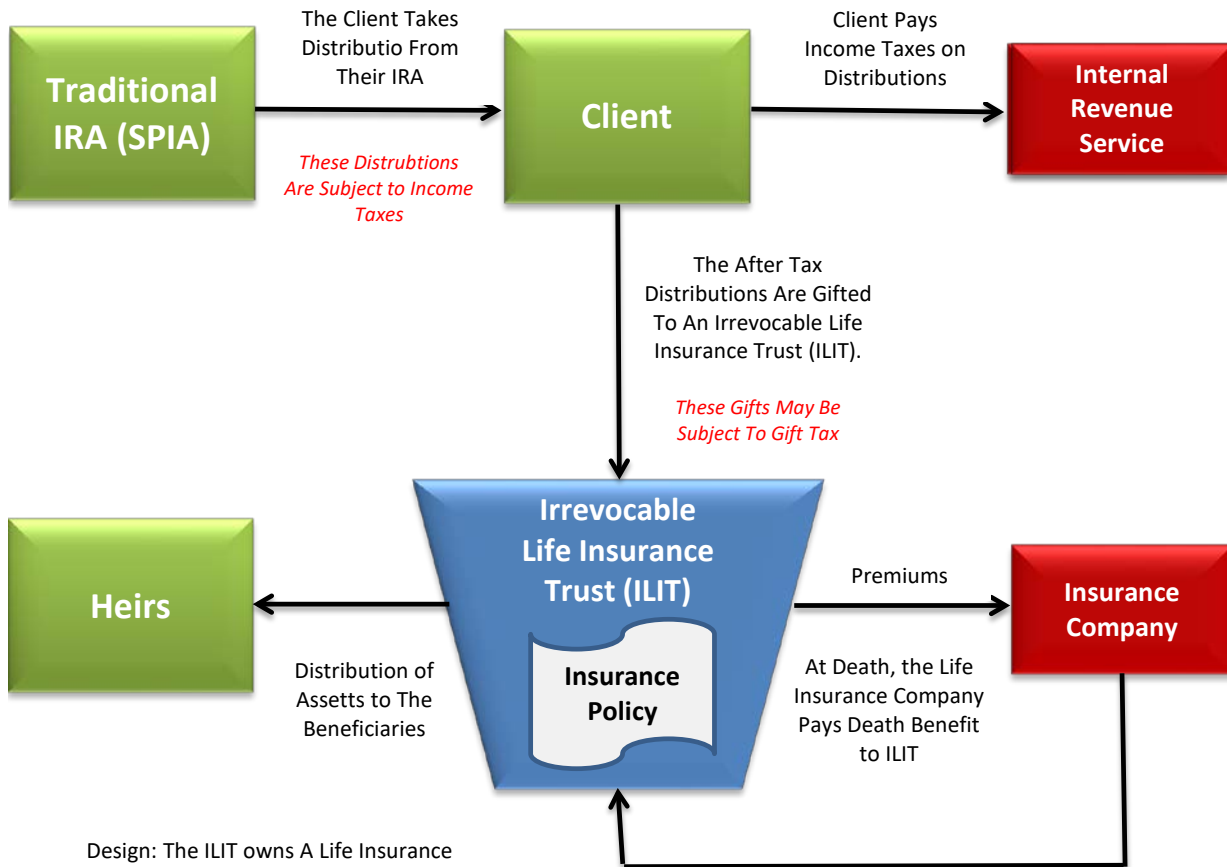
IRA Maximization

What Is The "IRA Maximization?"

A strategy with the intention of minimizing an individual's tax liability for future generations while maintaining the IRA. This is important because a combination of estate and income taxes could reduce these proceeds by up to 70 percent since the IRA's receive no "step up in basis" upon death and the monies in the IRA are includable in the estate for the purpose of determining the heirs' estate tax liability.

Note - This strategy presumes that the Owner of the IRA will NOT be relying on the IRA as a source of income for their retirement needs and that their intention is to increase the potential asset transferred to the heirs at death by using some or all of the after tax distributions from the IRA to purchase life insurance.

How Does It Work?



Design: The ILIT owns A Life Insurance Policy on The Life of The Client and Uses Gifts to Pay Premiums to The Insurance Company