WELCOME FUNDS
Life Settlements, Simplified. Offers Maximized.

THE JOY OF GIVING: TRANSFERRING ASSETS TO HEIRS

A traditional way to leave a legacy is to establish an estate plan. It ensures that any remaining money upon passing away is left to predetermined, designated people (or causes), who in turn can enrich their own lives and potentially, the lives of others.

However, many financial advisors help their clients experience the joy of giving while they are still alive, with wealth preservation and asset allocation strategies. One such strategy is examining an often overlooked asset in a client's portfolio, enhanced by changes in the relevant tax law.

Revisiting Life Insurance for Estate Planning

Wealthy consumers historically have purchased life insurance policies as a vehicle for helping pay large estate tax bills after passing away. However, the law was changed in 2017 to double the federal estate tax exemption. It is now $11.2 million per individual and $22.4 million, with portability, for a married couple — at least until 2025. With the modification, only 1,800 estates each year will be subject to federal estate taxes. Therefore, the vast majority of Americans who purchased a life insurance policy for estate taxation purposes will no longer be subject to the tax.

Trusted advisors should review their senior clients' estate plans to determine whether their life insurance policy is still serving its intended purpose. If it is not, then exiting an obsolete policy, in a prudent and recommended way as a life settlement, if eligible, can save policy owners tens of thousands of dollars in annual premium costs. A life settlement will also provide portfolio liquidity, affording consumers the opportunity to experience the joy of giving sooner rather than later.

The Life Settlement Option

Americans have had an established legal right to sell a life insurance policy for more than 100 years. The courts have consistently held that a life insurance policy is personal property and can be sold just like any other asset, such as a house or a stock.

The ability to sell a policy as a life settlement is an important option for policy owners to have in the event that they no longer need or can afford it. Rather than simply lapsing or surrendering the policy back to the insurance company, owners can sell it to a licensed third party representing institutional funds for cash that is greater than the surrender value but less than the death benefit.

In a life settlement, the purchaser of the policy assumes all future premium payments – thereby eliminating the burden for policy owners - and receives the death benefit upon the death of the insured. Candidates for life settlements are typically 70 years or older, with a life insurance policy that has a death benefit of at least $100,000.

The joy of giving can be accelerated with a life settlement.

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CONTACT US TODAY TO FIND OUT IF YOU QUALIFY FOR A LIFE SETTLEMENT