

Give yourself a retirement bonus.

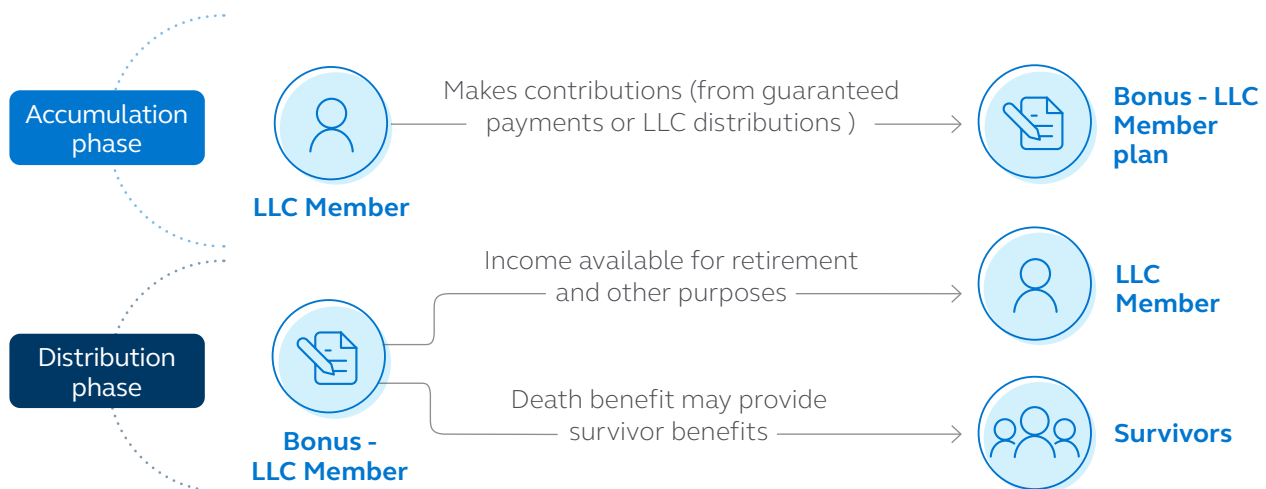
A retirement benefit for LLC members offering tax leverage and flexibility.

As a busy owner of a limited liability company (LLC), you also have your sights set on the future. A goal may be to maintain your current standard of living in retirement, but a 401(k) or other qualified plan may not let you save enough to do that. So what can you do today to help ensure you have enough income to enjoy your retirement years?

This bonus plan is designed for you—it can give you death benefit protection and help you save more for retirement. And it can provide tax leverage without contribution limits and restrictions on compensation. The tax leverage comes with using life insurance to finance the plan, rather than it being based on a tax code provision.

Here's how it works

You select an amount to contribute from your guaranteed payments or your share of LLC distributions. Your dollars are used to finance a personally owned asset—like life insurance. At retirement, you may access the values in the financial asset to help supplement your retirement income.



What you need to know

There are many advantages to this plan for you, just as there are some things to consider.

Save more. While qualified plans and Roth IRAs offer tax benefits, they have limits on compensation and contributions that don't apply to this bonus plan.

Diversify assets. This allows you to build assets outside your business.

Choose from contribution options. Any bonus contributed to this plan can be made from your guaranteed payments or share of distributions.

Pay out distributions properly. If there's more than one owner, and bonuses are made from distributions, the distributions need to be in accordance with the LLC operating agreement and/or applicable state statutes.

Pay income tax now. Whether profits are distributed to LLC members or retained for business expansion, members are taxed at current ordinary income tax rates.¹

Need to be healthy. You must be able to qualify for life insurance if you choose to use it for financing the plan.

Choose alternate financing options. If you or another LLC member is unable to qualify for life insurance, other options for financing the plan are available. These options will have different tax implications regarding accumulation and distribution. And administrative services may vary.

You want to have benefits in place that can have a positive impact on the future of you and your business. Using life insurance, this bonus plan provides you with protection and a source of additional retirement income. Plus, you can trust the service and expertise we'll provide to you every step of the way, year after year.



[Learn more](#)

Contact your financial professional today.

¹ LLC members (who have chosen to be taxed as a partnership or S corporation) report their share of business profits on their personal tax returns. Depending on your type of business and other personal income, you might be entitled to a deduction of up to 20% of your passthrough income, as a result of a deduction added by the Tax Cuts and Jobs Act.



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