The top 10 reasons people are transferring <u>billions</u> into annuities

Let's make a review of the top 10 safe reasons people are transferring billions of dollars into annuities each month.

The greatest fear among investors is running out of money during retirement or going bust before retirement. Wall Street has robbed retirees with the IRS forced liquidation sale from which investors can never, ever recover. Banks and federally regulated interest rates are bankrupting people dependent upon interest income from their bank accounts.

So, what's the good news?

Economists, financial universities and publications are now recognizing and publishing the real merits of annuities. People are transferring billions of dollars into annuities each month. Why? A recent Gallup poll once said the number one reason is **safety**.

Let's make a review of the top 10 safe reasons people are transferring billions of dollars into annuities each month.

No. 10 — People are transferring billions of dollars into annuities to protect their money and make it immediately **<u>available to</u> their heirs**.

The full value of your annuities can be paid to your heirs, your church and/or your charity in one sum, in monthly incomes or a combination of both a lump sum and monthly income, usually within 72 hours.

No. 9 — People are transferring billions of dollars into annuities to **avoid probate courts**.

Any remainder in your annuity can avoid that long, painful and costly time delay in the probate **courts.** That saves time, court costs, administrative costs and legal fees.

One might say annuities leave your heirs money instead of court battles and legal fees. That's just a few of the ways annuities provide more money for your family heirs.

No. 8 — People are transferring billions of dollars into annuities for **guarantees**.

No other money contract provides all of the ironclad guarantees of the annuity. Annuities come with a money back guarantee. Not only do annuities guarantee the return of your money, they guarantee annual growth on your money, credited annually and sheltered — sheltered from the IRS (tax-deferred), sheltered from market losses, and sheltered from corporate scandals like Enron and WorldCom.

It was Will Rogers who said, "I am more interested in the return of my money than the return on my money."

It's true. The return of your money is more valuable than the return on your money … at least until your money more than doubles.

No. 7 — People are transferring billions of dollars into annuities to develop a **tax-favored stream of income** with tax dollars.

You can grow an annuity into a substantial amount on which you have never paid tax and convert the annuity into a tax-favored stream of income with an exclusion allowance. It's something everyone should look into. Recession, inflation and taxes are eating us alive, while stock market losses and low bank rates are also taking their toll. Tax-deferred annuities offer a way to grow tax dollars into substantial amounts, and then convert the tax dollars into a tax-favored stream of income.

No. 6 — People are transferring billions of dollars into annuities to develop an **income** with 100 percent tax dollars.

You can grow an annuity with compound tax-deferred growth and later convert those tax dollars into a stream of income.

No. 5 — People are transferring billions of dollars into annuities to **reduce or eliminate income tax** on Social Security income.

Retired people are paying more than $60 billion dollars annually in income-tax on Social Security income.

Tax-free income from muni-bonds and taxable interest credited to CDs and money markets can trigger income tax on Social Security income but not the interest credited to a tax-deferred annuity.

One dollar credited to your bank accounts and money markets can trigger income tax on 85 cents of your Social Security income but not the interest credited to your annuity — it's another way annuities can help you enjoy more income, more growth and less tax.

No. 4 — People are transferring billions of dollars into annuities to **stop paying tax** on interest accumulation.

Most people with bank CDs and money markets let the interest compound and grow. That means they're paying the income tax on interest earnings out of their own pocket.

Transfer those accounts into annuities and the tax dollars you were paying out of your pocket becomes money you can spend, save or invest. Now that's synergizing your money.

No. 3 — People are transferring billions of dollars into annuities for **more income**.

We have covered some of the many ways annuities can provide more income with tax-favored income and more growth on your money which can provide more income in the future including ways to develop an income with 100 percent tax dollars.

No. 2 — People are transferring billions of dollars into annuities for **more growth** on their money.

With taxes and inflation eating us alive, how can we enjoy a richer lifestyle and a richer retirement? The answer is stop losing money to the IRS and stop losing money on Wall Street.

Albert Einstein said, "Compound interest is the eighth wonder of the world."

That causes me to wonder, what would Einstein have called compound tax-deferred interest? I would venture to say he would have called it the ingenuity of annuities.

The no. 1 reason people are transferring billions of dollars into annuities is **safety**. With annuities, you can grow your own money in the safety zone.

In summary

Annuities are helping people enjoy more income, more growth and less tax with safety.

You've often heard it said, "If you want a higher rate of return, you gotta have some risk. Here's my response:
Does risk increase the rate of return or does risk increase the probability of loss?"
One thing we've learned from history is that we don't learn from history! (See attachment)

*Disclaimer: This article **does not** apply to the variable annuity.*