Income & Tax Analysis Reports

Future Contributions

The New Rules of Retirement Saving

Stonewood's Income & Tax Analysis software enables you to evaluate two strategies for your client on equal grounds:

- Potential growth, income and tax liability if your client saves in a tax-deferred account, like a 401(k) or IRA
- Potential growth, income and tax liability if your client saves tax-free in an IUL policy

The guidelines in this booklet will help you create reports to evaluate these two strategies and determine the best path forward for your client.

For use with StonewoodFinancial.com software

Software and Illustration Guidelines

Income & Tax Analysis Reports – Future Contributions

Run the IUL Illustration

- ❑ Run your client's illustration at illustrated rate of your choice.
- ❑ Illustrate income.
  - ❑ The policy year you choose for income to end will represent the age at which the reports will show your client passing away.

Determine IRA Growth Rate Assumptions

- ❑ Within the software, you will choose two growth rate assumptions for your client's qualified account: one for saving years, and one for retirement. You have several options:
  - ❑ Use the **default** earnings rate of 5.5% and 5%. These are rates many clients feel are reasonable, conservative assumptions of growth.
  - ❑ Select **alternate** rates of your choosing.
    - ❑ These could be based on your RIA's models, or selected in consultation with your client
  - ❑ **Match** the earnings rate to your IUL illustrated rate. This is a more aggressive approach but may be appropriate for clients who want to see the comparison.
    - ❑ If choosing this approach, remember accurately choose account fees in your assumptions.
    - ❑ If using this approach, make sure the client is aware of the equities performance necessary in your assumptions.