

YOUR 1040: A TOOL TO HELP YOU MEET YOUR FINANCIAL NEEDS

ARE YOU PAYING MORE IN TAXES THAN YOU NEED TO?

Your Form 1040 individual income tax form can be a valuable tool to discover opportunities to meet your financial needs and help you make the most of your income and assets.

USE YOUR FORM 1040 TO IDENTIFY OPPORTUNITIES TO ENHANCE YOUR FINANCIAL WELLNESS

Within Form 1040, several lines can be especially helpful. For example:

▶ **Line 2b — Taxable Interest**

By understanding the source of any taxable interest you currently have, your financial professional might be able to help you with a tax-deferred solution like life insurance or an annuity that may help reduce this amount and address any death benefit or retirement needs.

▶ **Line 4a and 4c — IRAs, Pensions, and Annuity Distributions**

If you are taking distributions only because they are required and not because you need the income and you need life insurance, you may be able to use it to pass this tax-deferred asset to your heirs more efficiently.

▶ **Line 10, if you're a business owner — Qualified Business Income Deduction**

If there isn't an entry on this line, why aren't you getting a deduction? Is your income too high? If yes, there may be ways to reduce your overall income to bring you below the threshold so you could take advantage of the deduction.

▶ **Schedule 2, Line 8 — Other Taxes**

If you are paying additional Medicare Tax on your net investment income, exploring reallocating cash to life insurance may allow you to eliminate this tax entirely. This may be possible if you already own cash value life insurance or if you need to purchase a policy for death benefit protection.

STRATEGIES TO HELP MEET YOUR GOALS

When your goals include maximizing your legacy and/or saving on taxes, strategies using life insurance or an annuity can help provide protection and income. These can help to:



Financially protect your loved ones and business



Preserve your estate for your heirs



Provide a source of retirement income



Be a source of income during a chronic illness



Leave a legacy to your loved ones or a favorite charity



Pass tax-deferred, qualified accounts to your heirs in a tax-efficient manner

TAX SEASON IS AN IDEAL TIME TO SCHEDULE A MEETING

Aside from reviewing your 1040, tax season is a great time to review your overall financial strategy. Since this time coincides with any tax refund or even an annual bonus you may receive, it's a good time to discuss how to make the most of this money.

Although you can't rely on tax refunds and bonuses year after year to make life insurance premium payments or use toward other financial solutions, money you receive this year could provide the funds you need to comfortably make the initial purchase. From there, you can work with your financial professional to determine an appropriate way to continue making the necessary payments.

Contact GPAgency today to get started! (800) 283-8376



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There may be tax and other financial implications as a result of reallocating or liquidating assets within an investment portfolio. If contemplating such a strategy, it is important to understand that life insurance is a long-term strategy to meeting particular needs.

Annuities are long term, tax-deferred vehicles designed for retirement.

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