

What happens to my annuity when I pass away?

One of the best things about an annuity is that you never have to lose what you put into it.

Continuing payments. Payments cease upon death, but most annuities have options to continue payments to the surviving spouse or another loved one.

Distributions. If your annuity has remaining cash value, it can be distributed to your beneficiaries—the people you specify to receive your assets when you pass away. Beneficiaries receive payment via a lump sum or installments. Distribution terms are private with no need for probate (a court proceeding) if beneficiaries are family members. This makes annuities a useful tool for transferring wealth to heirs.