

# Determine How Life Insurance Fits in Your Financial Plan

## INSURANCE & ANNUITIES

When it comes to life insurance, do you have more questions than answers? If so, use this checklist to help determine if you need it, and if you do--what solution best fits your needs.



### Find Your Whys and Your Who(s)

- What are your financial goals?** Determine what results you ultimately want from your financial plan.
- Choose your heirs.** Spouses and children are common beneficiaries. But they're not the only ones. Who else do you want to provide for?
- Decide what needs to be covered.** How much money will your family need if you—or your spouse—aren't here to earn it? (Your Financial Advisor can help you with this calculation, or you can use one of the many income replacement calculators).
- Get payoff balances for your mortgage and other big-ticket items.** Including the costs to pay off your mortgage and other debts can make all the difference for your loved ones.
- Consider planning your funeral in advance.** Then, communicate your preferences to your loved ones. It's one of the kindest things you can do for them.

### Gather Your Information

- Get a physical.** The provider may want to know about your health, depending on the type of insurance policy and coverage amount. Be ready ahead of time.

**Obtain your beneficiaries' personal information.** Having specifics handy such as your beneficiaries' Social Security numbers and birth dates makes the insurance application process easier.

## Determine Tax-Efficient Strategies

**Let your beneficiaries know life insurance benefit payments shouldn't put them in a higher tax bracket.** According to the [IRS](#), life insurance proceeds generally aren't includable in gross income and your beneficiaries don't have to report them.<sup>1</sup>

**Consider choosing a permanent (whole) life policy.** Permanent life insurance also accumulates potential cash value that's tax-favored. (Keep in mind, however, that premiums can be higher than those for term life insurance).

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## Working With Janney

Depending on your financial needs and personal preferences, you may opt to engage in a brokerage relationship, an advisory relationship or a combination of both. Each time you open an account, we will make recommendations on which type of relationship is in your best interest based on the information you provide when you complete or update your client profile.

If you engage in a brokerage relationship, you will buy and sell securities on a transaction basis and pay a commission for these services. Our recommendations for the purchase and sale of securities will be based on what is in your best interest and reflect reasonably available alternatives at that time.

If you engage in an advisory relationship, you will pay an asset-based fee, which encompasses, among other things, a defined investment strategy, ongoing monitoring, and performance reporting. Your Financial Advisor will serve in a fiduciary capacity for your advisory relationships.

For more information about Janney, please see Janney's Relationship Summary (Form CRS) on [www.janney.com/crs](http://www.janney.com/crs) which details all material facts about the scope and terms of our relationship with you and any potential conflicts of interest.

By establishing a relationship with a Janney Financial Advisor, we can build a tailored financial plan and make recommendations about solutions that are aligned with your best interest and unique needs, goals, and preferences.

Contact us today to discuss how we can put a plan in place designed to help you reach your financial goals.

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<sup>1</sup> Source: IRS, <https://www.irs.gov/faqs/interest-dividends-other-types-of-income/life-insurance-disability-insurance-proceeds>

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