



Five things to consider before year-end

- 1 Create a tax-contingency plan for your clients.**

Next year could bring numerous tax law changes. Meet with affluent and high-net-worth clients before year-end to discuss potential scenarios and create contingency plans. For instance, does your client have low-cost-basis capital assets? Do they need a tax-efficient rebalancing strategy? Would a Roth IRA conversion make sense? Can they utilize a high-deductible health plan, health savings account, limited flexible spending account, or flexible spending account for health care through their employer?
- 2 Review clients' estate plans.**

The estate tax exemption and lifetime gift exclusion could be substantially reduced next year, which could subject clients to a 40% estate tax. Annual gifting and split gifting could be more important than ever. To help maximize inheritance and minimize potential estate tax concerns, review gifting strategies and beneficiary designations. High-net-worth clients may want to consider leveraging the lifetime gift exemption to reduce their taxable estate. If both parents and grandparents are wealthy, consider transfers to grandchildren in anticipation of changes to the generation-skipping tax.
- 3 Search for yield alternatives in a low-interest-rate environment.**

Interest rates are at historical lows. It's an opportunity for borrowers, but challenging for conservative savers looking for safety. Consider guaranteed income solutions for your clients that offer principal protection but could generate higher returns than traditional-savings and CD rates.
- 4 Prepare for market volatility.**

Ask clients—and prospects too: What is your risk mitigation strategy? What are your noncorrelated assets? What will continue to offer income if the market declines? If your clients retire during a bear market, they may be forced to liquidate investments when values are down, creating a compound effect of a decline in net worth. Create market-agnostic solutions. Consider locking in gains at regular intervals and activate income to minimize selling into weakness.
- 5 Contact your clients' tax and legal advisors to coordinate financial strategies.**

Do you have a relationship with your clients' centers of influence? Build your professional network to help create a coordinated plan. Integrate investment planning, tax planning, and estate planning to ensure clients are fully prepared to meet their long-term financial goals.

We can help

We have annuity solutions to help you and your clients.

- **Growth potential:** Earnings opportunities that are based on the performance of an index or underlying asset class options.
- **Tax deferral:** Earnings or growth are not taxed until withdrawn or lifetime income starts. All money has the chance to grow without being reduced by taxes.
- **Guaranteed lifetime income:** Choose either periodic payments for life or a living benefit.*
- **Leave a legacy:** An annuity with a guaranteed death benefit can help pass assets on to a loved one.*

Author: Jeng Chiu, JD, CFP®

Jeng Chiu is a vice president for Delaware Life National Sales Consulting. He's worked with financial professionals, CPAs, and other tax and legal advisors for more than 20 years, leading hundreds of client seminars, continuing education courses, and breakout sessions at regional and national conferences.



About National Sales Consulting (NSC)

The NSC team is a group of highly educated, experienced professionals who are go-to consultants on income and tax planning and business-building strategies. They can provide actionable sales ideas, meaningful content, and resources that are rich in education and practice management, as well as ways to help simplify complex planning issues for clients.

For more information on these strategies, please contact the Delaware Life National Sales Consulting team at:

- **844-DEL-SALE (844-335-7253)**
- **SalesSupport@DLMarketing.com**

Visit the Delaware Life Income Planning InstituteSM [website at Delawarelife.com/advisors](https://delawarelife.com/advisors). (First-time visitors will be asked to register.)

delawarelife.com

*May only be available after annuitization or with a rider at additional cost.

Guarantees are based on the financial strength and claims-paying ability of the issuing insurance company.

Delaware Life Insurance Company (Waltham, MA) is authorized to transact business in all states (except New York), the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, and is a member of Group One Thousand One, LLC (Group1001).

This communication is for informational purposes only. It is not intended to provide, and should not be interpreted as, individualized investment, legal, or tax advice. To obtain such advice, please consult with the appropriate professional.

FOR FINANCIAL PROFESSIONAL USE ONLY. NOT FOR USE WITH THE PUBLIC.

© 2021 Delaware Life Insurance Company. All rights reserved.