



Vancouver Pacific Financial Group



Income Generator

“Generating additional retirement income through tax sheltered accumulation!”

Is providing additional retirement income as a bridge between the ages of 65 and 69 one of your financial goals?

Have you maximized your RRSP contributions?

Have you maximized the amount of money you want in Equity accounts?

Would you like to have the flexibility to pass on your assets in tact to your children or favorite grandchildren if you do not need the extra income after all?

Many people are unaware that:

- The income tax they will have to pay over their lifetime on non-registered savings may be equal to or more than the actual amount invested!
- They do not have to risk money in an Equity investment to have higher after tax growth!
- They do not have to give up control of assets earmarked for children or grandchildren to avoid paying taxes in their estate!

A Life insurance policy that qualifies under section 148 of the Income Tax Act is an excellent planning tool that can be used to create a tax advantaged account. This account is totally accessible and under your control while you are alive and is paid out to your designated beneficiary outside your estate at death. This means that you not only avoid paying income taxes on the growth in the account until you withdraw it, but you never pay income tax, probate or legal fees as well, if you do not need the income after all!

This concept shows how substantial sums can be invested in a Life Insurance policy with a view to “tax sheltering” investment earnings until moneys are withdrawn during retirement years.

Unlike contributions to RRSP, these savings are not deductible for income tax purposes. However, provided the policy remains “exempt” (The Life Company guarantees exempt status while moneys are invested in the Company’s General Fund), the policy fund earnings will be exempt from income tax while in the policy.

*Information courtesy of Transamerica Life Insurance Company of Canada E. & O. E.

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