

In touch...

A newsletter for clients of the Wilson Financial Group

Do You Own An Annuity Inside Your IRA?

In general, it may not make a lot of sense to invest in an annuity inside your IRA. The primary advantage of annuities is the tax deferral.

Your IRA is already tax deferred, so why would you want to buy an annuity inside your IRA? Many people invest in a variable annuity because it allows them to select a variety of money managers and have flexibility to move between them without costs or commissions.

You may have been told the advantage of the annuity was the fact that you could annuitize it later (get a fixed monthly income).

This is a unique advantage of an annuity; however, systematic withdrawals can provide more flexibility than annuitizing.

Unlike an annuity, systematic payments are not a guarantee for the rest of your life. If you make withdrawals, you may run out of principal.

In the case of a variable annuity, you may have been told that your heirs would be guaranteed to get at the least your original investment back regardless of performance of your investment choices. While this is true, in most cases, you are paying an extra 1% or more annually for that guarantee.



Therefore, payment for the guarantee to protect your principal does not seem very worthwhile for a long-term investor. It may be worthwhile for a short-term investor or risk adverse investors

What should you do if you find an annuity in your IRA? If the surrender charges have passed, you can surrender the annuity at no charge and convert it to another if the change makes sense for your situation.

Variable annuities make sense for some investors as well as mutual funds. You do have some options. If you would like a review of your situation, contact us at 868-9297.

SOCIAL SECURITY WORKSHOP SEMINAR DATES

If you would like to attend, please call Rhonda at 205.745.3947 to reserve your seat.

TRUSSVILLE

Tuesday, January 8, 2019

Social Security Workshop

Trussville Civic Center | Fireside Room One | 6:30m - 7:30pm

Monday, January 14, 2019

Social Security Workshop

Trussville Civic Center | Fireside Room One | 6:30m - 7:30pm

VESTAVIA

Thursday, January 10, 2019

Social Security Workshop

Vestavia Library | Community Room | 6-7pm

PELHAM

Thursday, February 7, 2019

Social Security Workshop

Pelham Library | 6-7 pm

OXFORD

Thursday, February 21, 2019

Social Security Workshop

Oxford Civic Center, 6-7 pm

GADSDEN

Thursday, February 28, 2019

Social Security Workshop

Gadsden Civic Center, 6-7 pm

ASK PHILIP WILSON RADIO SHOW

**Every Sunday from 12-12:30 pm you can
hear Philip discuss Social Security Topics.**

Christian Talk Radio WYDE / FM 101.1

Wilson Financial Group is a registered investment
advisor, securities offered through TPMR, Member
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