

WHOLE LIFE INSURANCE

Whole life has similar benefits to a Roth IRA ... and that's just a start

You may have heard of a Roth IRA as a good option for retirement planning with favorable tax treatment by allowing after-tax contributions, tax-deferred growth, and tax-free distributions at retirement. The drawback? A Roth IRA is not available for everyone and has limits to how much you can contribute.

But you may get tax-appropriate features like a Roth IRA (along with additional benefits) from another vehicle: whole life insurance. Take a closer look at where whole life can differ from a Roth IRA.



Eligibility

Whole life doesn't have the income limitations that a Roth IRA has. A married couple filing jointly with income of \$206,000 or above can't directly contribute to a Roth IRA.*



Contributions

As of 2020, the Roth IRA annual limits are \$6,000 (under age 50) and \$7,000 (over age 50). **Life insurance policies can be structured to accept much more than \$7,000 in annual premiums**, which can help if you're trying to catch up and build savings before you retire.



Volatility

Roth IRA contributions may have market risk depending on the investment options you selected. If the markets are down, your Roth IRA values could go down, too. **Whole life has guaranteed cash values not subject to market volatility.**



Protection

Life insurance provides a tax-free death benefit many times the size of the annual premium.

This important feature provides financial assistance during a difficult time for your family and may provide additional funds to assist with the dreams you have for them.



Distributions

There are restrictions on when and how you can get earnings out of a Roth IRA. **With whole life cash value, you can access your policy values when you need them, without penalty.**

This is just the start! Whether paired with, or as an alternative to, a Roth IRA, whole life insurance can help provide protection, flexibility and potential for your retirement.

Talk to your financial professional about whole life insurance as part of your overall financial strategy.



*Roth IRA contribution and eligibility requirements as of 1/1/2020.

The purchase of a whole life insurance policy is a long-term commitment and is subject to underwriting approval. During the first several years, both the guaranteed and non-guaranteed cash value of a whole life insurance policy is typically less than the premiums paid. If a whole life insurance policy is surrendered, its surrender value will not always exceed the total premiums paid. Before purchasing any whole life insurance policy, you should request a policy illustration and carefully compare both the guaranteed and non-guaranteed elements.

Life insurance cash values grow without being subject to current taxation. Cash values can be accessed by way of policy loans without being subject to taxation. However, if tax-free loans are taken and the policy lapses, a taxable event may occur. Loans and withdrawals from life insurance policies classified as modified endowment contracts may be subject to tax at the time the loan or withdrawal is taken and, if taken prior to age 59½, a 10% federal tax penalty may apply. Withdrawals and loans reduce the death benefit and cash surrender value. Always consult with a tax adviser regarding your particular situation.

Whole life insurance is issued by The Ohio National Life Insurance Company. Guarantees are based on the claims-paying ability of the issuer. Dividends are not guaranteed. Products, product features, and rider availability vary by state. The issuer is not licensed to conduct business in New York.

The Ohio National Life Insurance Company

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