



Safety
Income
Taxes

Advisor Name
Advisor Company
email@email.com
123-456-7890

FINANCIAL **SITUATION REPORT**

Prepared For: John Doe

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ANALYSIS



Financial Disclosure

This report uses personal and financial information to assess your current financial needs, goals and interests. Any recommendations are based on the information you provided. Any assumptions made are representative of economic and market conditions that could occur and are designed to promote a discussion of appropriate actions that may need to be taken, now or in the future. This report will help you manage and maintain your insured financial situation under

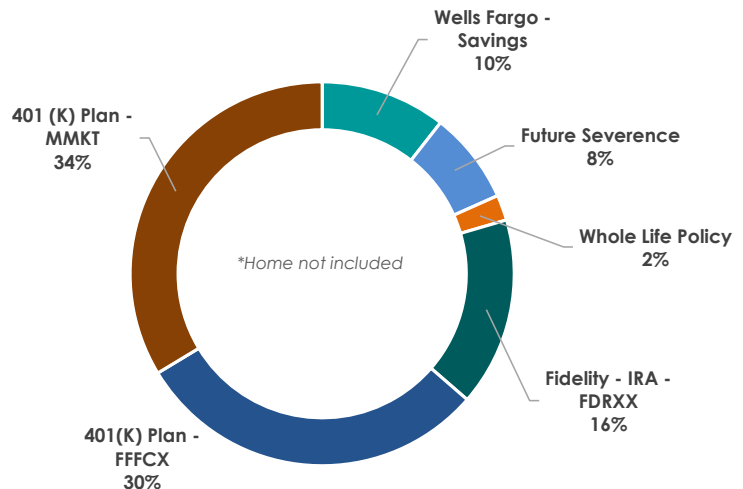
Itemized Assets

Asset	Value	%	Market Risk	Tax Advantaged	Income Producing
Wells Fargo - Savings	\$64,030	10.57%	No	No	Yes
Future Severence	\$47,000	7.76%	No	No	No
Whole Life Policy	\$13,000	2.15%	No	Yes	No
Fidelity - IRA - FDRXX	\$96,370	15.91%	No	Yes	Yes
401 (K) Plan - FFFCX	\$181,563	29.97%	Yes	Yes	Yes
401 (K) Plan - MMKT	\$203,841	33.65%	No	Yes	Yes
Total Of All Assets*	\$605,805	100%	\$181,563	\$494,775	\$545,805

Assets at a Glance

Net Worth	\$807,805
Primary Residence	\$202,000
Market Risk	\$181,563
Tax Advantaged	\$494,775
Income Producing	\$545,805

*Excluding Home



What Types Of Assets Do I Have?

A **tax-advantaged** asset is any asset that produces income and is either tax-free or tax-deferred. In addition to other assets, this includes qualified retirement accounts (IRA/ROTH/401k/ 403b etc.), fixed, variable and index annuities as well as municipal bonds. **Market Risk** indicates assets that move up or down based on market forces and where the principal is not guaranteed. Stocks, bonds and REITs among other assets would qualify as "at-risk". **Income producing** assets are any asset that you plan to use for income in retirement. For this analysis, we usually use most or all of your investable assets.

Investment Vehicle Pyramid

Risk vs. Reward

Where are your assets?



* If held to maturity. Otherwise, they are subject to volatility due to interest rate risk as with any other type of bond.

Are your investments working for you?

Every asset you own should serve a purpose. Are your retirement assets working together toward your goals and do you have the appropriate assets based on those goals?

2021 - Income Tax Brackets

Single

Taxable Income	Tax Rate
Up to \$9,950	10% of taxable income
\$9,951 to \$40,525	\$995 plus 12% of the amount over \$9,950
\$40,526 to \$86,375	\$4,664 plus 22% of the amount over \$40,525
\$86,376 to \$164,925	\$14,751 plus 24% of the amount over \$86,375
\$164,926 to \$209,425	\$33,603 plus 32% of the amount over \$164,925
\$209,426 to \$523,600	\$47,843 plus 35% of the amount over \$209,425
\$523,601 or more	\$157,804.25 plus 37% of the amount over \$523,600

Married Filing Jointly or Qualifying Widow(er)

Taxable Income	Tax Rate
\$0 to \$19,900	10% of taxable income
\$19,901 to \$81,050	\$1,990 plus 12% of the amount over \$19,900
\$81,051 to \$172,750	\$9,328 plus 22% of the amount over \$81,050
\$172,751 to \$329,850	\$29,502 plus 24% of the amount over \$172,750
\$329,851 to \$418,850	\$67,206 plus 32% of the amount over \$329,850
\$418,851 to \$628,300	\$95,686 plus 35% of the amount over \$418,850
\$628,301 or more	\$168,993.50 plus 37% of the amount over \$628,300

Married Filing Separately

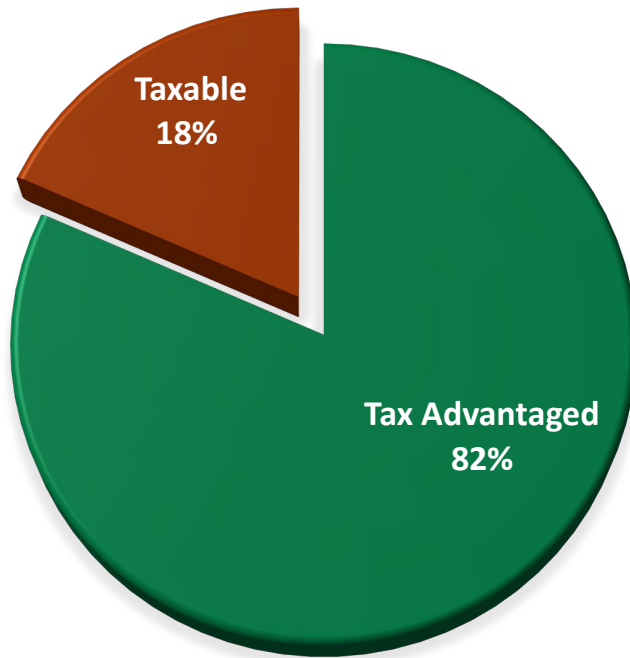
Taxable Income	Tax Rate
\$0 to \$9,950	10% of taxable income
\$9,951 to \$40,525	\$995 plus 12% of the amount over \$9,950
\$40,526 to \$86,375	\$4,664 plus 22% of the amount over \$40,525
\$86,376 to \$164,925	\$14,751 plus 24% of the amount over \$86,375
\$164,926 to \$209,425	\$33,603 plus 32% of the amount over \$164,925
\$209,426 to \$314,150	\$47,843 plus 35% of the amount over \$209,425
\$314,151 or more	\$84,496.75 plus 37% of the amount over \$314,150

Head of Household

Taxable Income	Tax Rate
\$0 to \$14,200	10% of taxable income
\$14,201 to \$54,200	\$1,420 plus 12% of the amount over \$14,200
\$54,201 to \$86,350	\$6,220 plus 22% of the amount over \$54,200
\$86,351 to \$164,900	\$13,293 plus 24% of the amount over \$86,350
\$164,901 to \$209,400	\$32,145 plus 32% of the amount over \$164,900
\$209,401 to \$523,600	\$46,385 plus 35% of the amount over \$209,400
\$523,601 or more	\$156,355 plus 37% of the amount over \$523,600

TAXABLE ALLOCATION

WHAT PERCENTAGE OF YOUR RETIREMENT ASSETS ARE TAXABLE?



*Pie chart excludes primary residence

Are you reinvesting your income?

You may be paying more than you need in state and federal income taxes.

Additionally, you may be paying taxes on your social security income when it may not be necessary. Or, if you are not receiving benefits yet, can you structure your income to minimize these taxes? Below is a chart that may help you determine if you are paying taxes

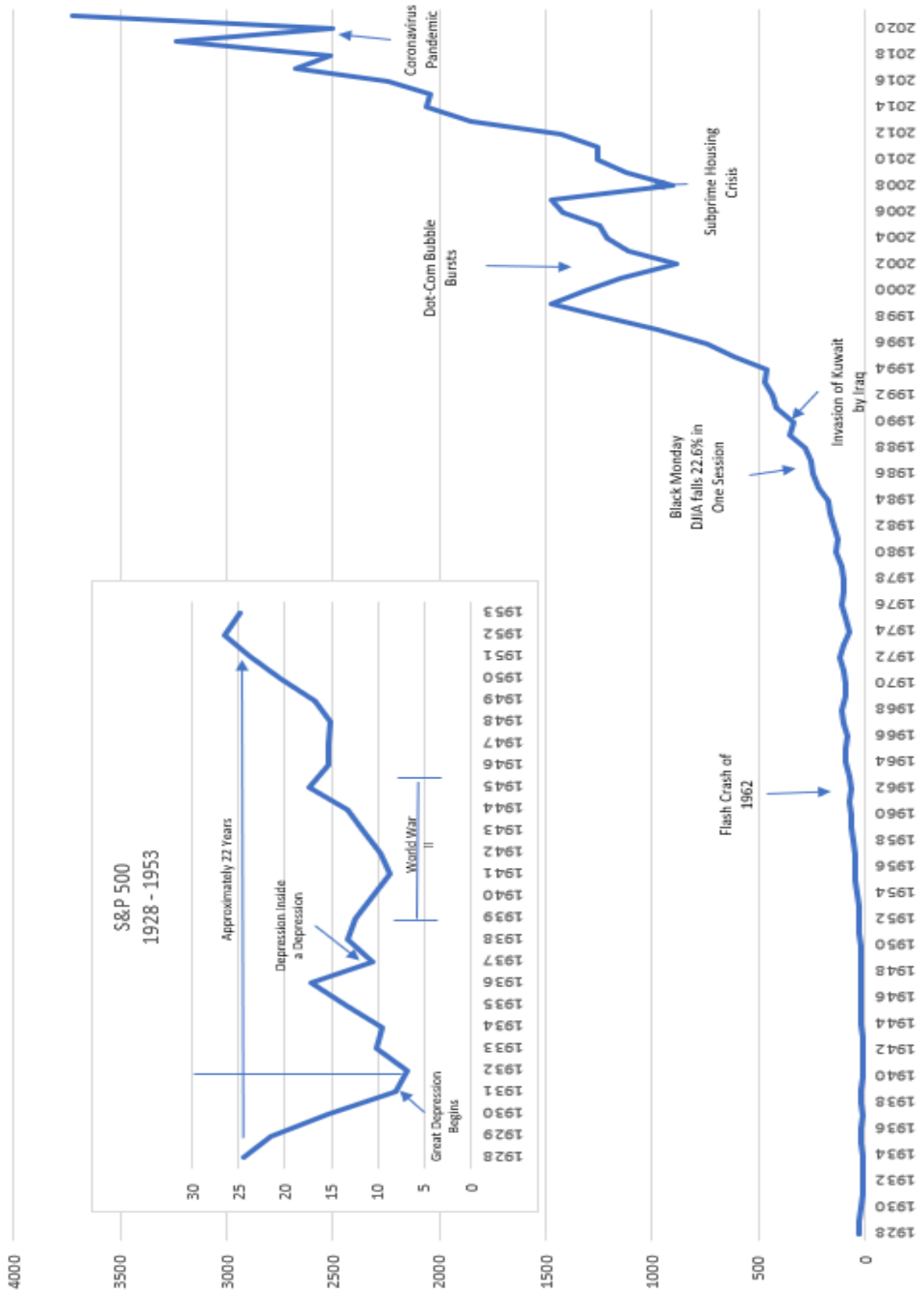
Taxable	\$	111,030.00
Tax Advantaged	\$	494,774.52

Social Security is taxed at 50% starting as low as \$25,000 of Adjusted Gross Income (AGI).

	<u>50% Taxable</u>
Married Filing Jointly	\$32,000 - \$44,0000
Single	\$25,000 - \$34,000
	<u>85% Taxable</u>
Married Filing Jointly	+\$44,001

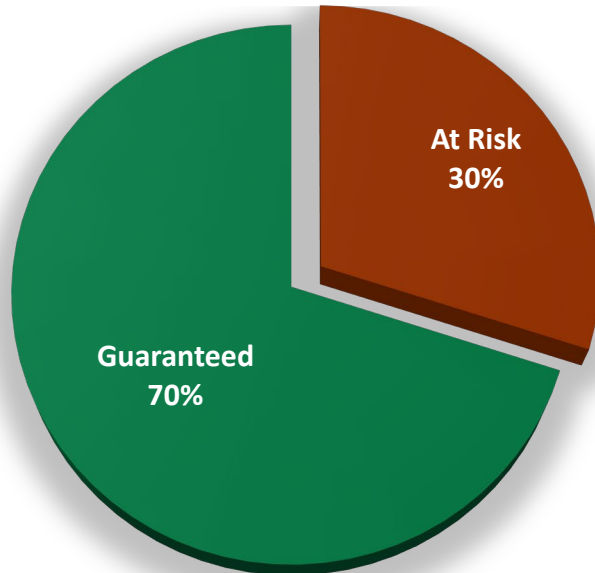
S&P 500 Since 1928

with 1928 - 1953 Cut-out



RISK ASSESSMENT

What percentage of your retirement assets are at risk?



**Pie chart excludes primary residence*

At-Risk	\$ 181,563.17
Guaranteed	\$ 424,241.35

The rule of 100

A general rule among many financial professionals regarding assets at-risk is the rule of 100. The rule of 100 states that as you approach 100 years old you should allocate a larger percentage of your assets to safe, guaranteed assets based on a simple calculation of 100 minus your age. If you are 65 years old, you would place no more than 35% of your assets at risk ($100\% - 65\% = 35\%$). Everyone's situation is different and you should consult with your financial advisor to determine if the rule

Are your assets safe?

Not all guaranteed assets are equally safe. There is a difference between how a bank insures their deposits, how a corporate bond is backed by the company and how an insurance company protects annuity contracts. Research your investments and savings vehicles and discover how your various accounts are guaranteed.

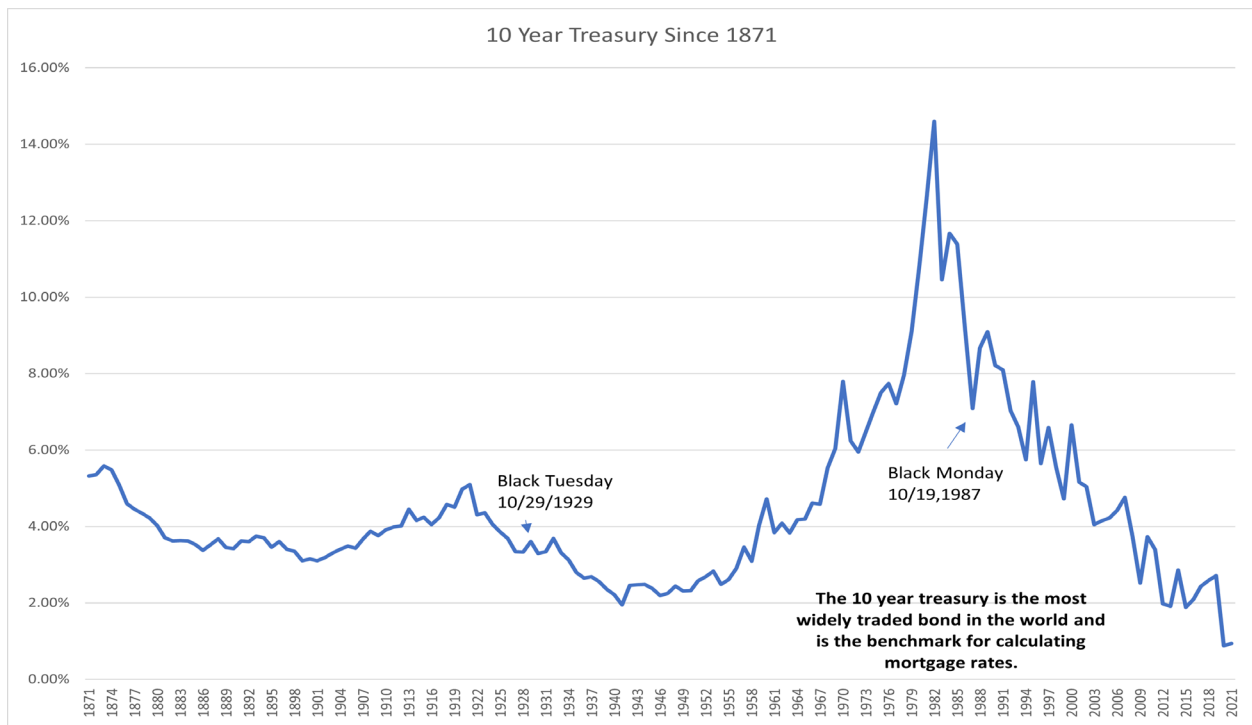
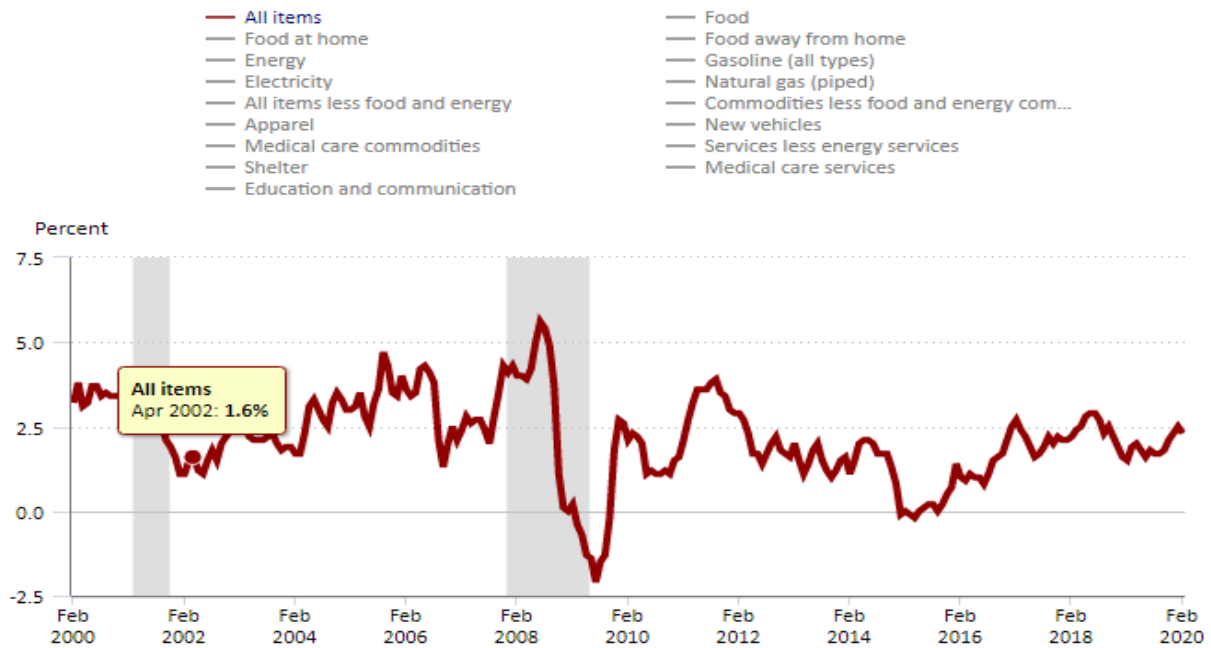


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Annual Inflation Rates Measured by Change in Consumer Price Index (CPI) 2000 - February 2020

Source: U.S. Bureau of Labor Statistics



**Inflation rate used for S.I.T. Report forecasting
2.50%**

Can You Live On Your Interest?

Current Interest Rate Environment

Income Vehicle	January, 2021	Current Interest Rate
10 - Year Treasury		1.07%
5 Year Certificate of Deposit (CD)		1.90%
5 Year Multiple Year Guarantee Annuity (MYGA)		3.10%

Current Income Forecast

Income Vehicle	Asset Value	Annual Income
10 - Year Treasury	\$545,805	\$5,851
5 Year CD	\$545,805	\$10,370
5 Year MYGA	\$545,805	\$16,920

Asset Value Required to Generate Specified Income

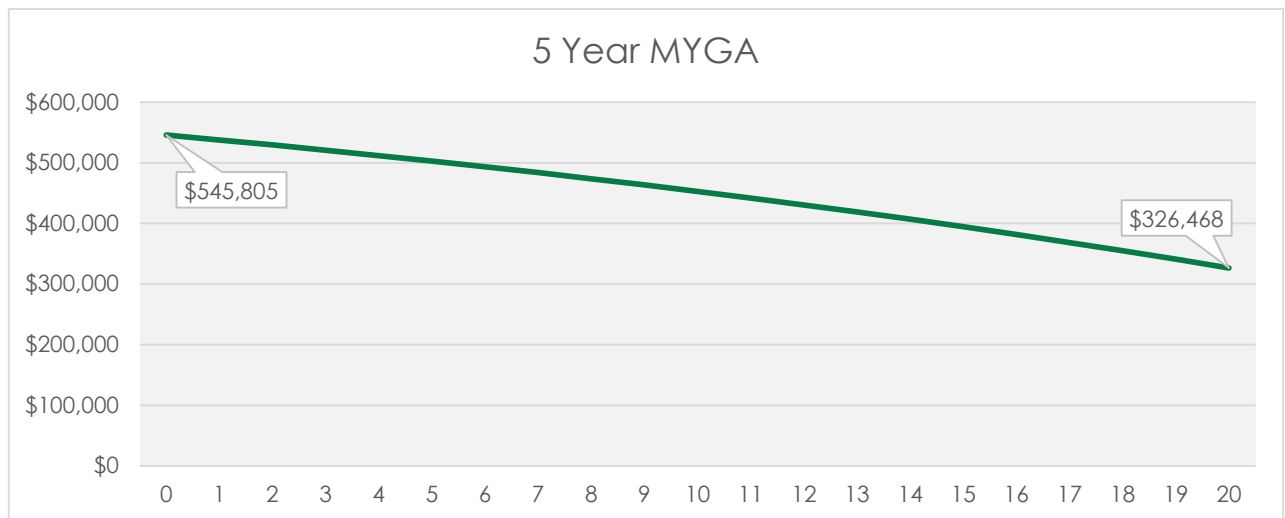
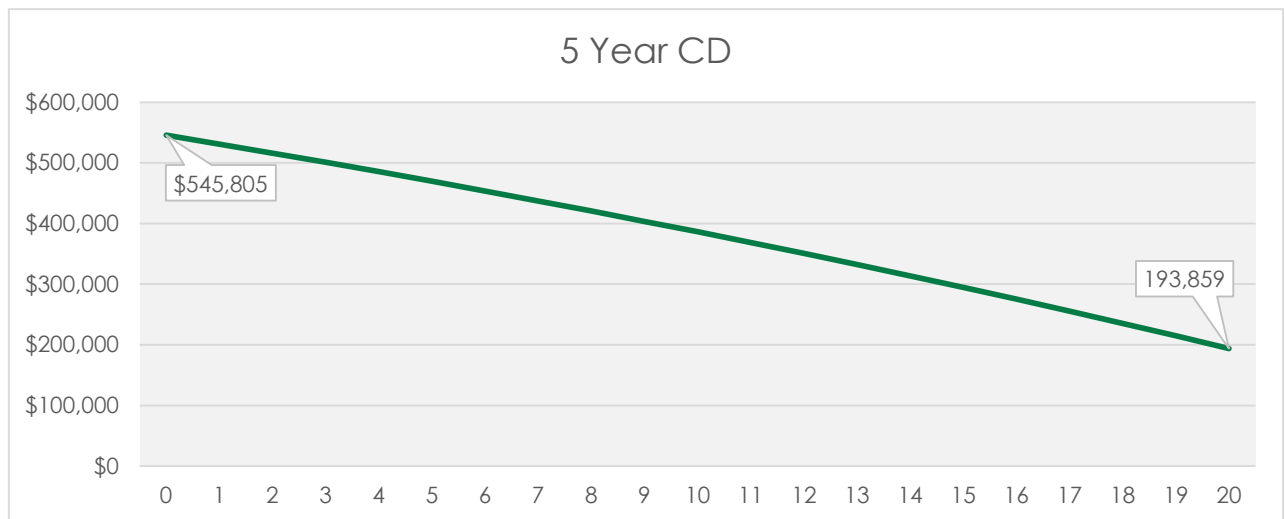
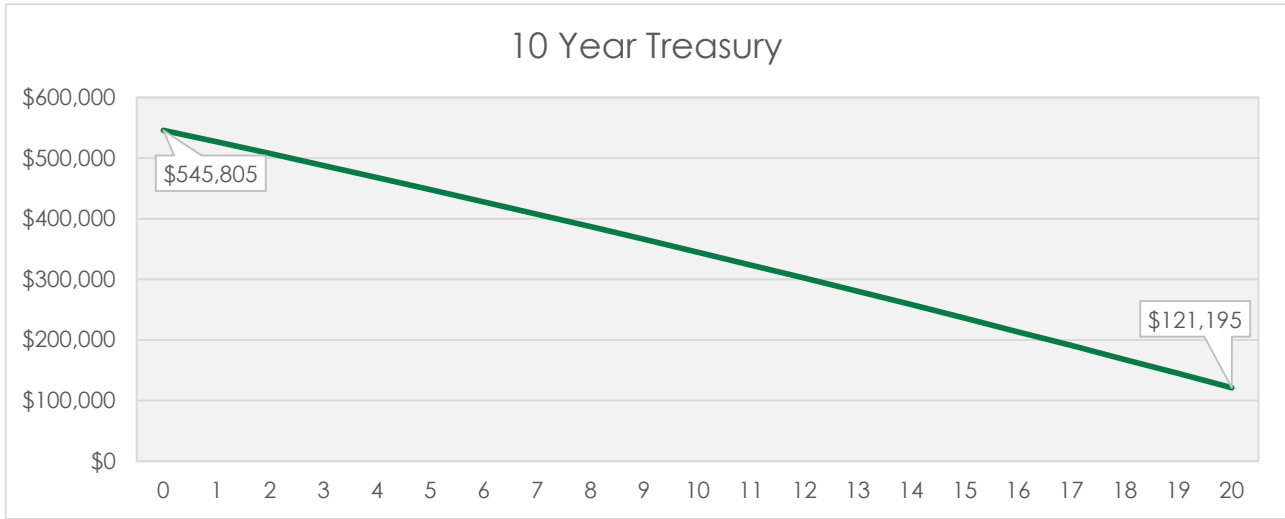
Income Needed	10 Year Treasury	Assets Needed
\$25,000	1.07%	\$2,332,090
\$50,000	1.07%	\$4,664,179
\$75,000	1.07%	\$6,996,269
\$100,000	1.07%	\$9,328,358

Income Needed	5 Year CD	Assets Needed
\$25,000	1.90%	\$1,315,789
\$50,000	1.90%	\$2,631,579
\$75,000	1.90%	\$3,947,368
\$100,000	1.90%	\$5,263,158

Income Needed	5 Year MYGA	Assets Needed
\$25,000	3.10%	\$806,452
\$50,000	3.10%	\$1,612,903
\$75,000	3.10%	\$2,419,355
\$100,000	3.10%	\$3,225,806

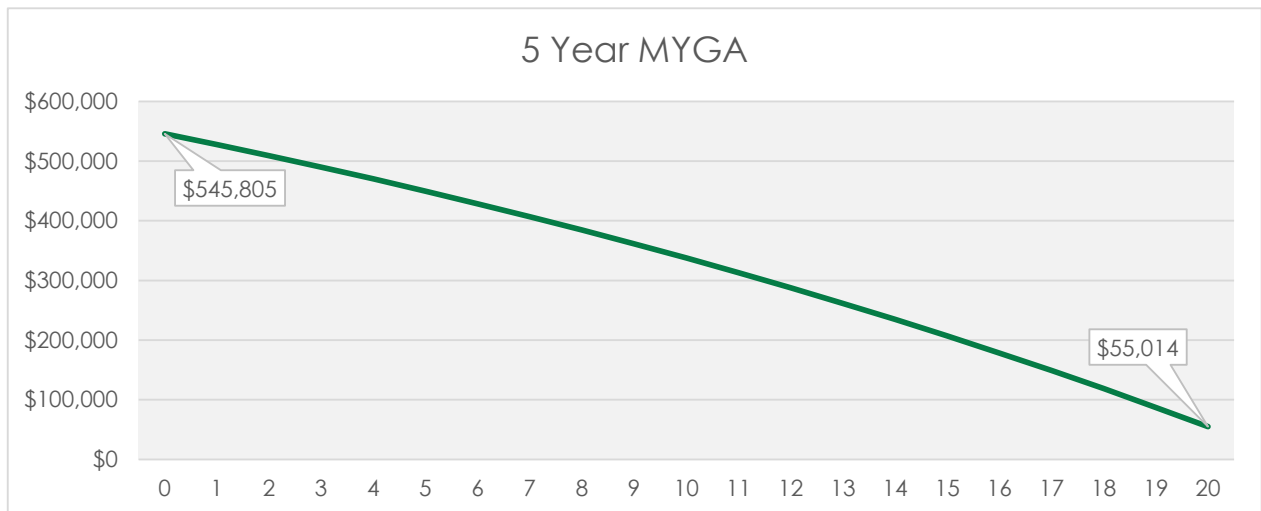
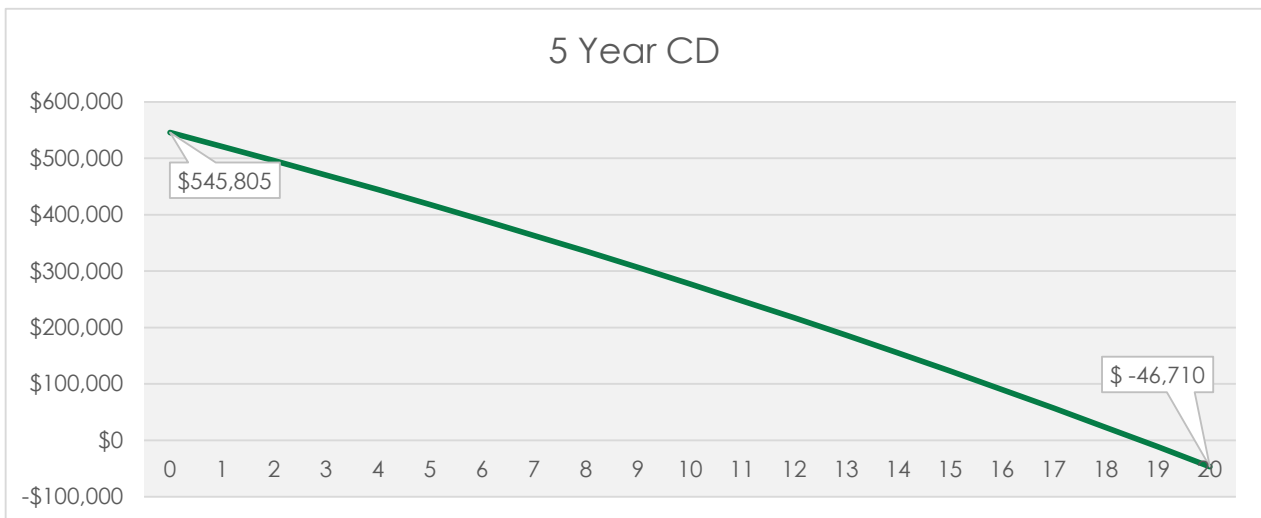
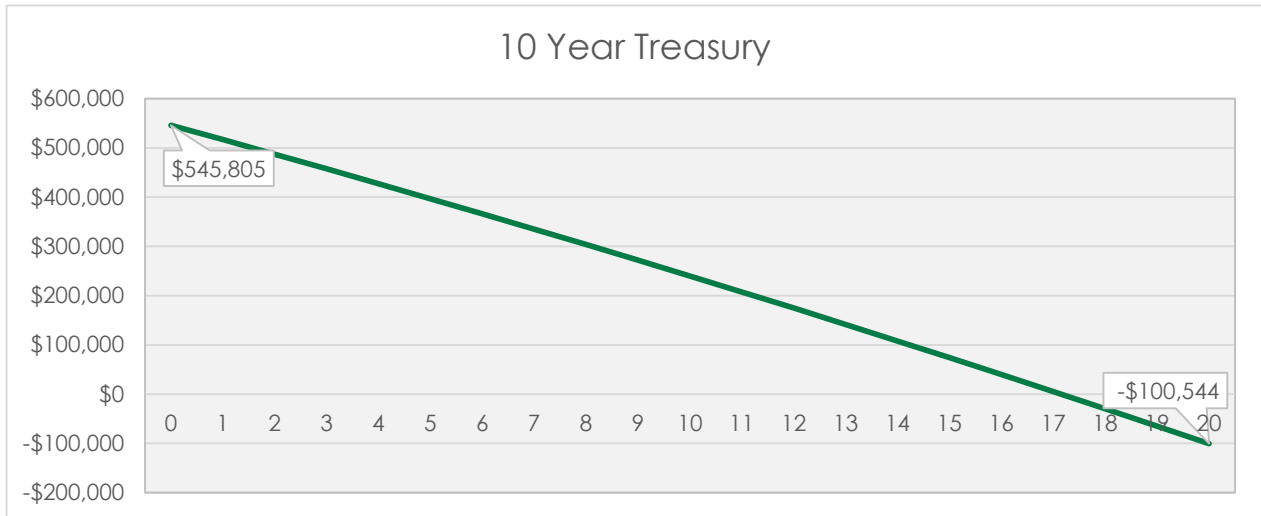
How Long Will Your Income/Assets Last?

Constant Income Forecast
\$25,000



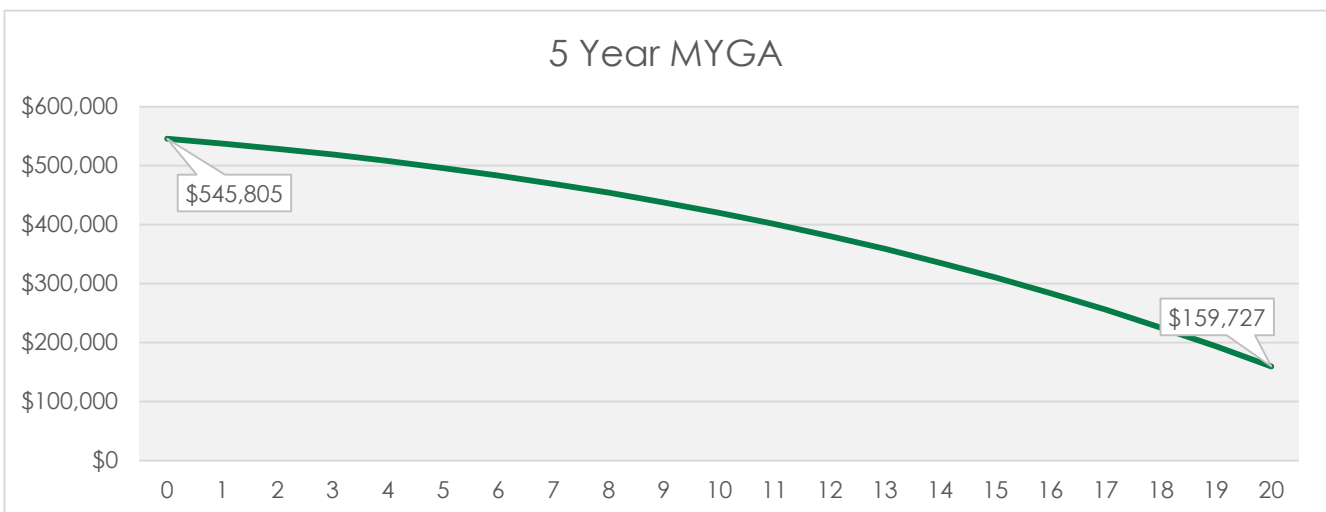
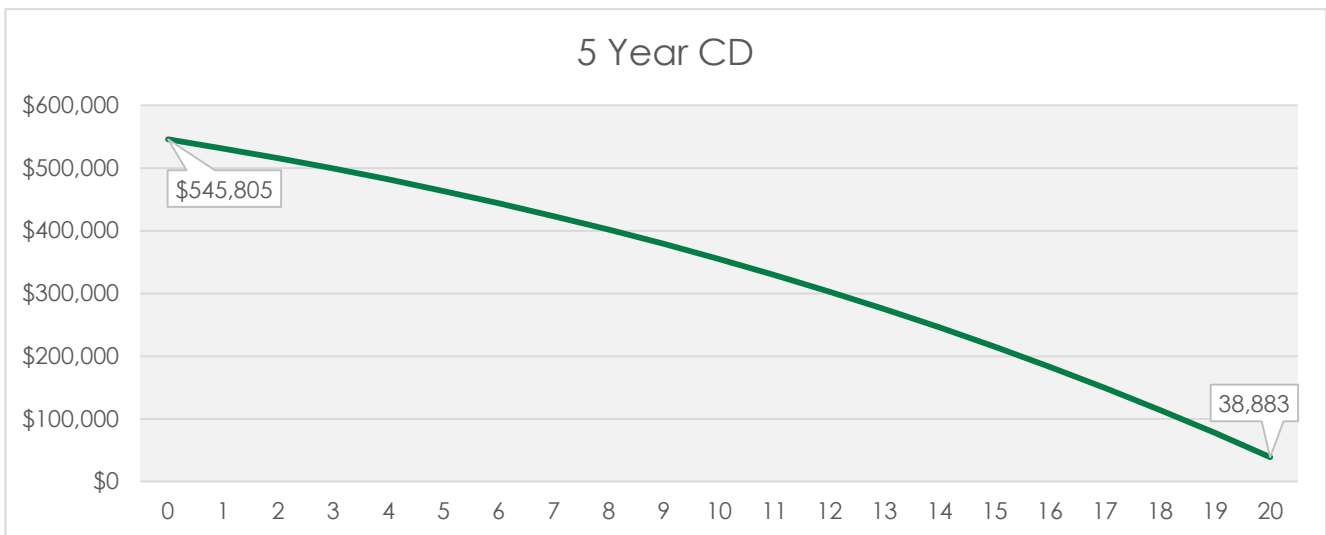
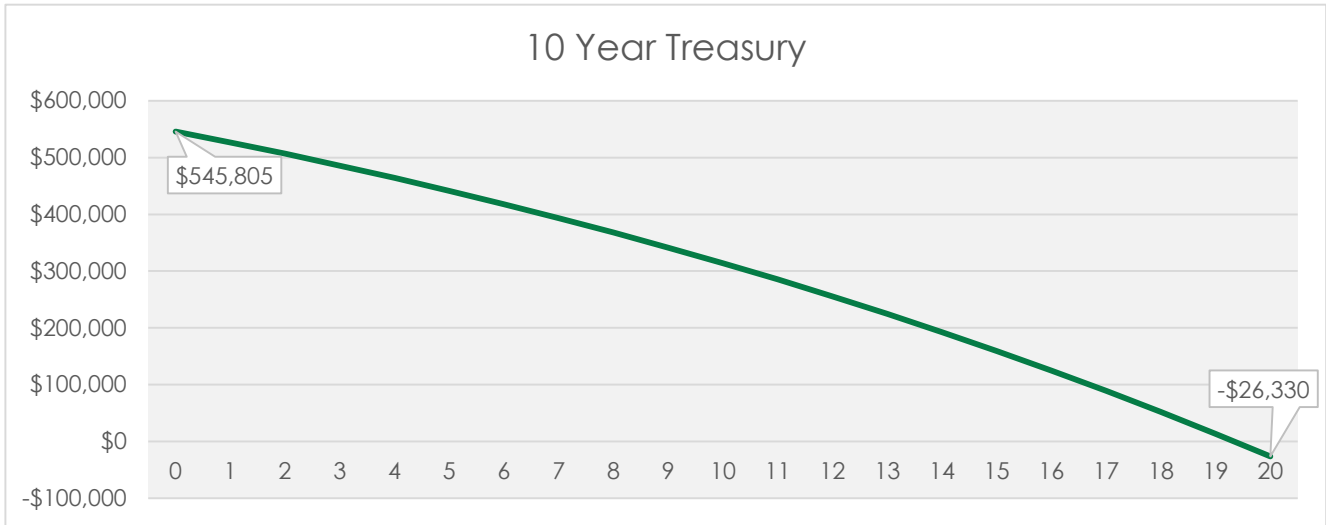
How Long Will Your Income/Assets Last?

Constant Income Forecast
\$35,000



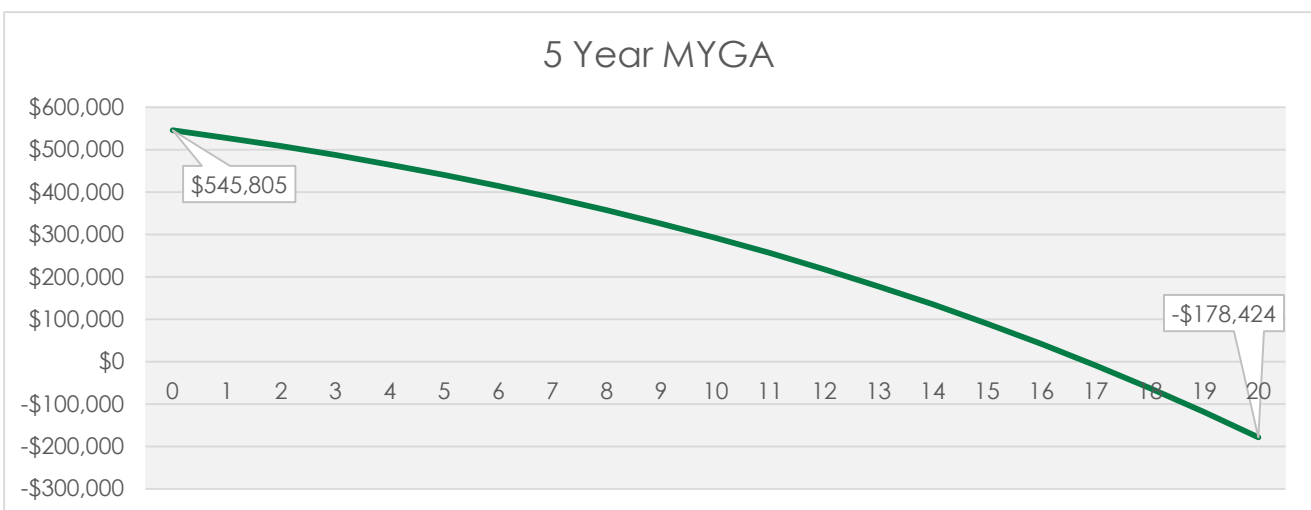
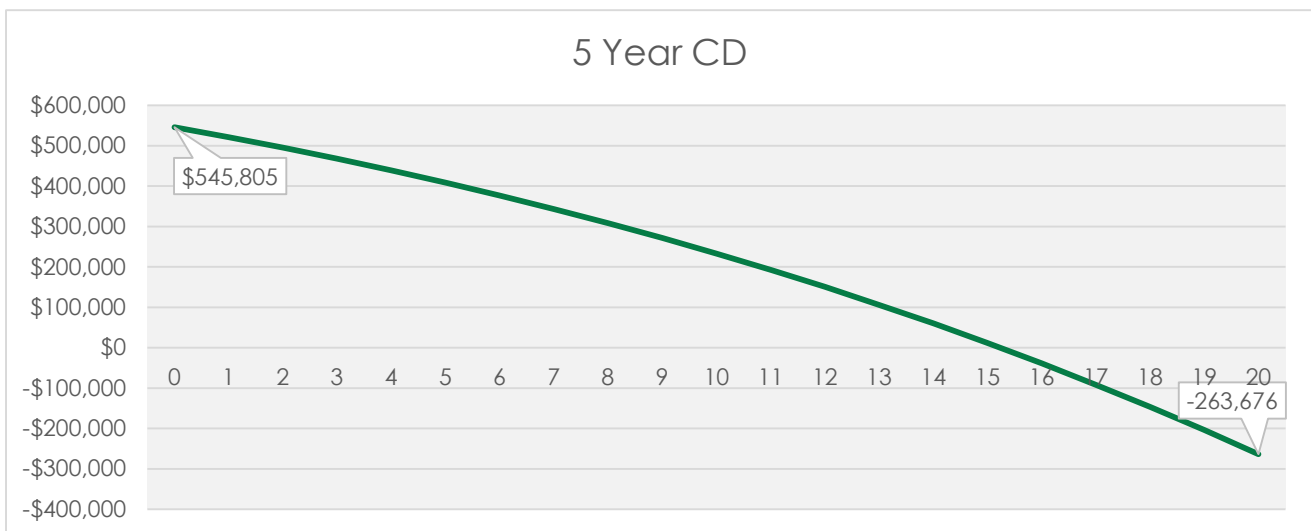
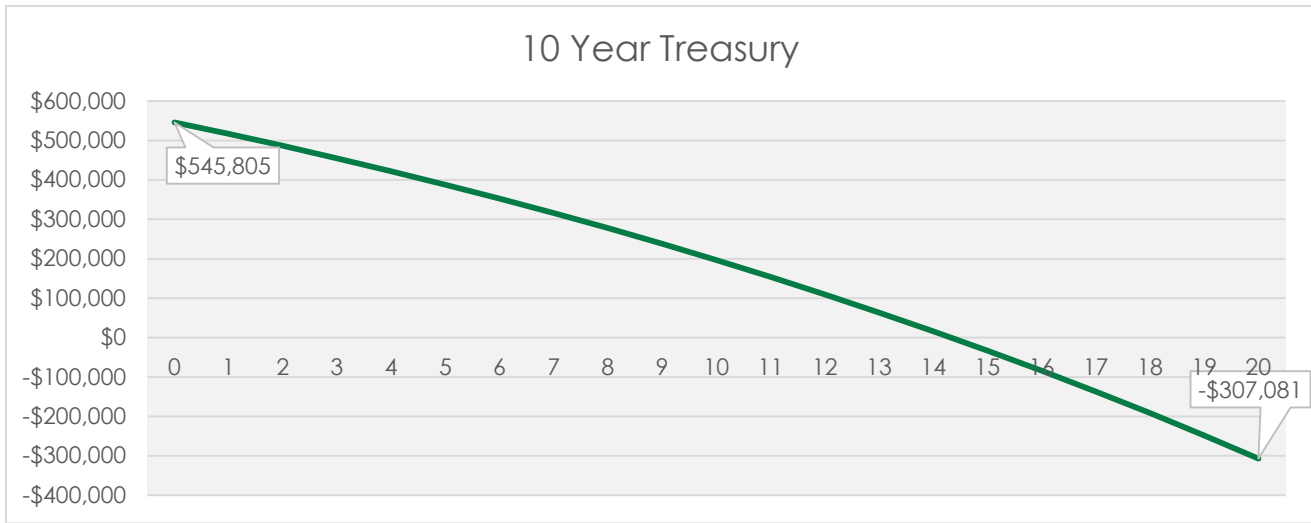
How Long Will Your Income/Assets Last?

Inflation Adjusted Forecast
\$25,000



How Long Will Your Income/Assets Last?

Inflation Adjusted Forecast
\$35,000



ANALYSIS



The information provided in this report and accompanying materials is for informational purposes only. It should not be considered legal or financial advice. Please consult a licensed insurance agent or investment advisor regarding your financial objectives, short- and long-term financial goals, liquidity needs, risk tolerance, and overall financial