



# Leaving a legacy

from MassMutual Ascend Life Insurance Company

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# Stretching your IRA or non-qualified annuity

## **Make your money mean more to future generations**

You've worked hard to secure your financial future and may have additional assets you want to leave for your loved ones. Taking only the Required Minimum Distribution (RMD) from your IRA, or allowing your nonqualified annuity to continue to grow tax-deferred, could help minimize your own taxes and leave funds for your beneficiaries. However, when these assets pass to your beneficiaries, taking a distribution as a lump sum can cause significant tax burdens for your loved ones.

Your beneficiary can reduce this tax burden by choosing to stretch out payments rather than taking a lump sum. Stretching out payments allows the money to grow tax deferred, spreads the tax liability across multiple years and may avoid higher tax brackets.

## **Taking advantage of compound growth and tax deferral**

By stretching out payments, the IRA or non-qualified annuity can continue to grow and compound on a tax-deferred basis. The accumulated earnings are not taxed until the beneficiary receives them. This deferral allows your beneficiary to maximize growth and minimize the tax burden.

## **Income flexibility**

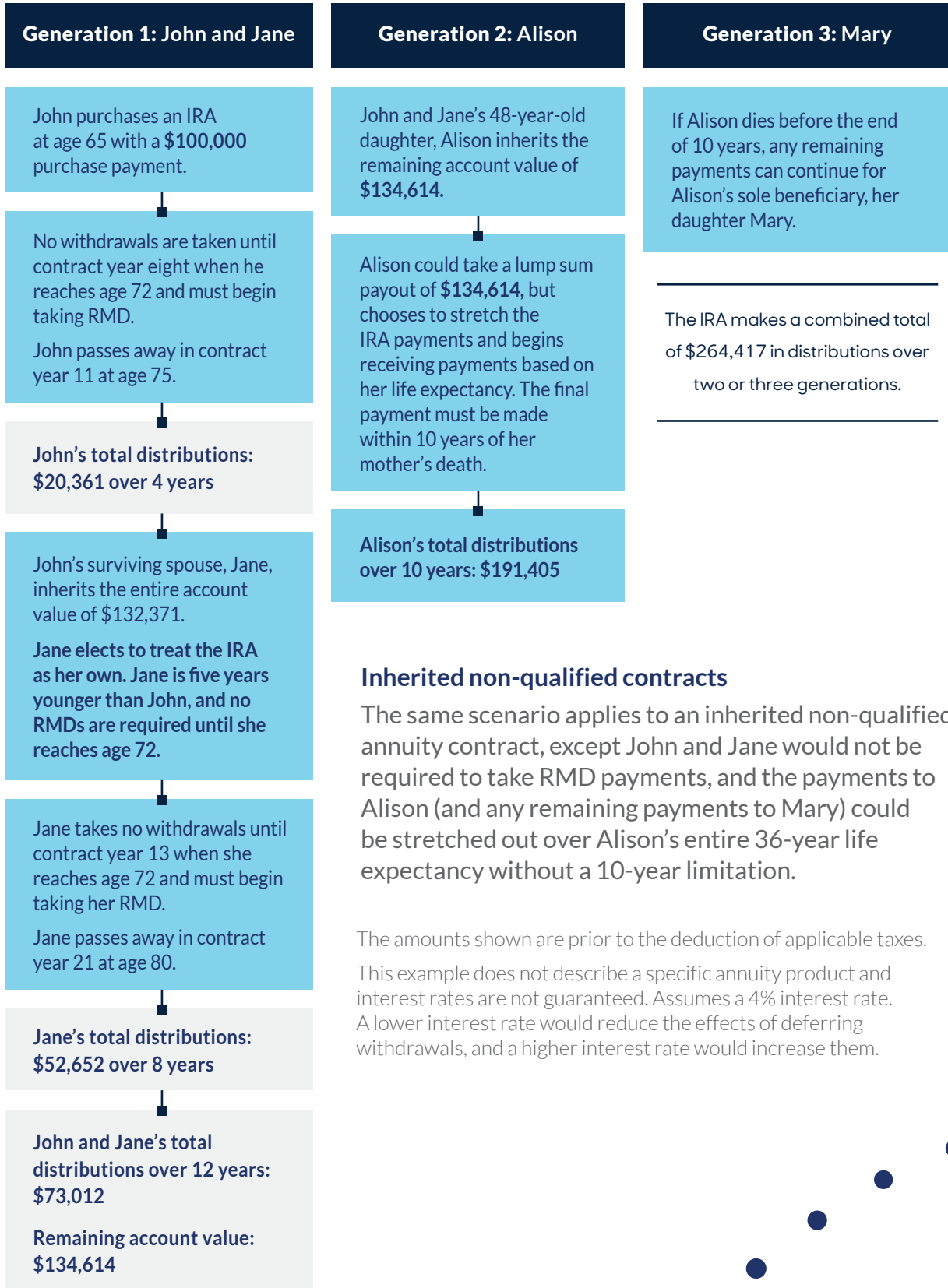
Unless your benefits are paid under a restriction you have imposed or a contract is annuitized, a beneficiary can choose to increase payout amounts or cash out at any time. This means that your beneficiary can access additional amounts should a special need arise.

## **Transfer of wealth to multiple generations**

If your beneficiary stretches out payments from your IRA or non-qualified annuity, but dies before all benefits are paid, any remaining balance can be passed on to future generations.

Payments can continue to be stretched out over the original stretch period. Consider the following example to see how a stretch strategy provides significant benefits across three generations.

# Stretch IRA hypothetical example

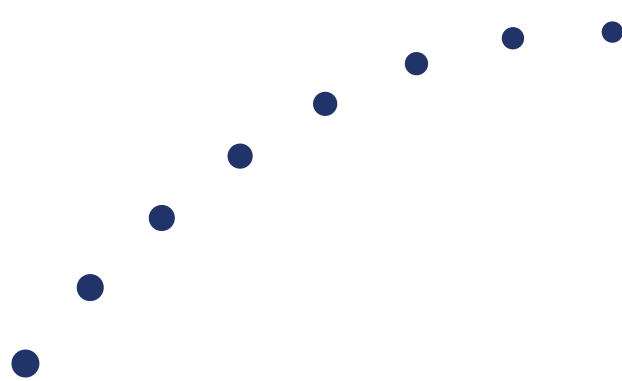


## Inherited non-qualified contracts

The same scenario applies to an inherited non-qualified annuity contract, except John and Jane would not be required to take RMD payments, and the payments to Alison (and any remaining payments to Mary) could be stretched out over Alison's entire 36-year life expectancy without a 10-year limitation.

The amounts shown are prior to the deduction of applicable taxes.

This example does not describe a specific annuity product and interest rates are not guaranteed. Assumes a 4% interest rate. A lower interest rate would reduce the effects of deferring withdrawals, and a higher interest rate would increase them.



## **For advice tailored to your specific circumstances, contact your financial professional.**

This information is not intended or written to be used as legal or tax advice. It was written solely to support the sale of annuity products. You should seek advice on legal or tax questions based on your particular circumstances from an independent attorney or tax advisor.

For use with contract forms ICC20-P1144420NW, ICC20-P1144520NW, ICC20-P1474420NW, P1101814ID, P1101914ID, P1113516ID, P1140119ID, P1104219ID, P1110416ID, P1074514ID, P1822217ID, P1822317ID, P1825218ID, P1134618ID, P1134618ID-NoMVA, P1112916ID, P1470017ID, P1457113ID, P1146620ID, P1112916ID, P1104414ID, P1080010ID, P1074514ID, P1470218ID, P1470218ID-NoMVA, P1110917ID-NoMVA, P1471718ID, P1471718ID-NoMVA, P1077414ID, P1127318ID, P1127318ID-NoMVA, P1110916ID, P1129918ID, P1129918ID-NoMVA, P1128018ID, P1128018ID-NoMVA and P1146620ID. Contract form numbers may vary by state. Products and features may vary by state, and may not be available in all states. See specific product disclosure document for details.

### **All guarantees based on the claims-paying ability of MassMutual Ascend.**

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