



WHAT'S THE BEST

ASSET TO PASS ON

AS AN INHERITANCE?



BORDEN HAMMAN

Asset Type	Qualified Retirement Accounts (401k, IRA, etc.)	Investments (Stocks, Bonds, Mutual Funds, etc.)	Real Estate	Individual Fixed Annuities	Fixed Single Premium Life Insurance
Uncle Sam's Cut When you die	Up to 37% on 100% of the value	0% due to step up in basis	0% due to step up in basis	UP to 37% on the growth of the gains in the contract	0%
Principal Protected from market loss	NO	NO	NO	YES	YES
Annual Taxation on growth	NO	Yes, up to 37% if making trades	Yes, up to 37% if selling	NO	0%
Annual Taxation on withdrawals	YES on 100%	Yes On gains	n/a	YES On gains	YES On gains
Annual out of pocket costs to hold the asset	NO	NO	YES (Property taxes, insurance, maintenance, renter default and vacancy)	NO	NO
Liquidity of Principal	YES assuming no losses	YES assuming no losses	NO	YES if out of surrender or ROP guaranteed	YES ROP Guaranteed
Passes Quickly and Probate Free to your heirs?	YES	NO	NO	YES	YES
Death Benefit Greater than cash value?	NO	NO	NO	YES with EDB rider	YES

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