



In anticipation of the new year, here are 22 ideas on how consumers can use annuity products to meet their growing financial needs:

1. Social Security Maximization

Purchase an immediate annuity to provide current retirement income while delaying claiming Social Security retirement benefits in order to qualify and maximize the partially inflation-adjusted monthly Social Security benefit payment.

2. Tax-Deferred Accumulation

Use a deferred annuity for tax-deferred accumulation. Annuity earnings aren't taxed until they are withdrawn, or the buyer starts taking regular distributions.

3. Principal Protection

Use the contractual guarantees of fixed annuity products to protect and never lose the principal paid for the contract.

4. An Alternative to Low-Yielding Bank Products

Use a multiple-year fixed annuity (MYGA) as an alternative to purchasing a certificate of deposit to obtain current higher rates of return.

22 USES FOR ANNUITIES IN 2022

5. Fund Essential Living Expenses

Purchase an income annuity or use the income options of a deferred annuity to help fund essential living expenses in retirement. This approach can free other assets for investing in potentially higher-yielding or inflation-offsetting asset classes.

6. Create Protected Income from Accumulated Assets

Transfer funds from a 401(k) or other qualified retirement savings plan to an annuity product to utilize the annuitization or optional income riders to turn accumulated funds into a protected, guaranteed income stream.

7. Life Insurance Policy Salvage

Use an income annuity to salvage an underwater life insurance contract by converting the cash surrender value created by paid-in premiums into a lifetime income stream.

8. Source of Long-Term Care Funding

Use a non-qualified deferred annuity to fund premiums for a long-term care (LTC) policy. If set up properly, the owner can obtain a tax-free way to purchase LTC.

9. Minimize Longevity Risk

Use a deferred income annuity as a hedge against outliving savings. The options can provide income in case of an extremely long life.

10. Medicaid Spend-Down Protection

Purchase a Medicaid qualified annuity to preserve assets.

As we head toward 2022 and see more Americans reaching their mid- to late 60s, it is a great time to revisit how annuity products can be used to meet consumer financial challenges.

[Click here](#) to continue discovering all 22 uses for annuities.

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