**Email Content**

It’s tempting to use an “apples to apples” approach when considering the premium deposit used to fund an Asset-Based LTC solution.

In the Asset-based Long-Term Care (ABLTC) segment there is a detail that must be considered that is often overlooked: Source of funds. Specifically, clients need to understand the pros and cons of using non-qualified funds versus qualified funds, annuities versus brokerage accounts and the like when funding their care planning strategy.

Given the availability of a tax-free 1035 exchange when an annuity is the source of funds, it’s critical to take any tax taxes due on the surrender of the annuity into account when determining the amount available to fund non-annuity strategies.

Drop me a note or give me a call if you want to take a closer look at how we’re designing this strategy with other advisors.