

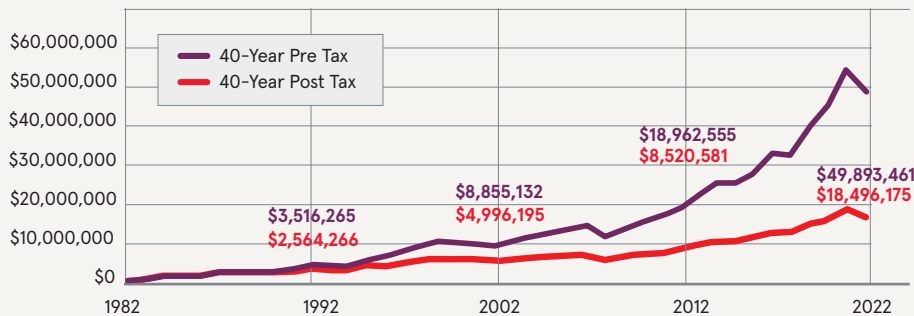


# How much of your clients' assets should be growing tax deferred?

Wealth managers have tax-sensitive clients and a duty to manage after-tax results. While the erosive effects of taxes are nothing new, some strategies to better manage them are.

Jackson® provides wealth planners and portfolio managers with a tax-deferred\* variable annuity that allows them to leverage the power of tax deferral.

Taxes Destroy Compounding (growth of \$1 million with and without tax deferral)



For illustration purposes only. Past performance is no guarantee of future results. Based on 60/40 blend of Ibbotson Associates SBBI US Large Stock TR index and US LT Corp TR index for most recent 10-, 20-, 30-, and 40-year periods through 2022. Assumes 30% annual turnover, 80% long-term capital gains, and qualified dividend tax treatment with 70% basis in final year. Assumes highest marginal ordinary income, preferential capital gains tax rates, and 6.4% effective state tax rate.

Indices are unmanaged and not available for direct investment. In addition, their performance does not reflect the various fees and charges associated with variable annuities. If these fees and charges were reflected, the performance shown would be reduced. Variable annuities involve investment risks and may lose value. Total return includes reinvestment of dividends and capital gains.

## What is a variable annuity?

Variable annuities are long-term, tax-deferred investments designed for retirement, involve investment risks, and may lose value. Earnings are taxable as ordinary income when distributed. Individuals may be subject to a 10% additional tax for withdrawals before age 59½ unless an exception to the tax is met.

\* Tax deferral offers no additional value if an annuity is used to fund a qualified plan, such as a 401(k) or IRA, and may be found at a lower cost in other investment products. It also may not be available if the annuity is owned by a legal entity such as a corporation or certain types of trusts.

Jackson® is the marketing name for Jackson Financial Inc., Jackson National Life Insurance Company®, and Jackson National Life Insurance Company of New York®.

## DESIGNED FOR TAX PLANNING

Tax deferral through a variable annuity can provide a powerful tool in your investment process.

- **Investment-only, tax-deferred variable annuity structure:** Allows for tax-deferred growth of nonqualified assets
- **Robust investment lineup:** Nearly 100<sup>†</sup> investment options

## WEALTH TRANSFER MAXIMIZED

The unique structure of the variable annuity chassis protects assets from tax consequences until assets are withdrawn.<sup>‡</sup>

This provides opportunities for:

- **Growth:** Tax-deferred compounding growth and no forced dividend, interest, or capital gains distributions from underlying investment options
- **Flexibility:** Subaccounts in a wide variety of investment types and styles, with the ability to change allocations and rebalance without tax consequences
- **Control:** Proactively decide when income and taxes are realized

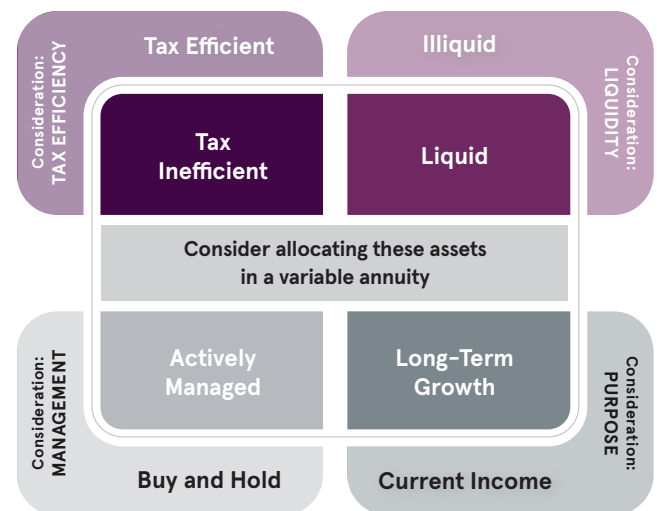
## APPLICATIONS

The value of Jackson variable annuities lies in their numerous applications for investment professionals and tax-planning professionals alike.

### Portfolio Management

Common investment activities, such as rebalancing and changing allocations or managers, can increase tax drag. The tax-deferred chassis of Jackson variable annuities allows portfolio managers to optimize the investment process without increasing tax liability. Whether used for longer-term assets or as part of an asset-location strategy, Jackson offers ideas to help achieve investment goals for agency and trust accounts.

### PORTFOLIO INVESTMENT CONSIDERATIONS



## THE BENEFITS OF TRUST-OWNED ANNUITIES

Many investments are available for use in trusts, including corporate and municipal bonds, stocks, mutual funds, separately managed accounts, and annuities. However, the annuity option is sometimes overlooked by financial professionals and trustees. Irrevocable trusts can benefit from the same features that individuals find in annuities, such as possible tax deferral, income control, and diversified investment options.<sup>§</sup>

## TYPES OF TRUSTS

One question we often hear is, “Can trusts own annuity contracts?” The answer is yes. Most trusts are eligible to own nonqualified annuity contracts. Some common trust types include:

- Credit Shelter Trust (CST) (also called Bypass Trust or B-Trust)
- Special Needs Trust (SNT)
- Irrevocable Family Trust
- Generation Skipping Trust (GST)
- Charitable Remainder Trust (CRT)
- Charitable Lead Trust (CLT)
- Qualified Terminable Interest Property Trust (QTIP Trust)
- Living Trust

<sup>†</sup> Select up to a maximum of 99 investments and adjust options or allocations up to 25 times each contract year without transfer fees. To prevent abusive trading practices, Jackson restricts the frequency of transfers among variable investment options, including trading out of and back into the same subaccount within a 15-day period.

<sup>‡</sup> Individuals may be subject to a 10% additional tax for withdrawals before age 59½ unless an exception to the tax is met.

<sup>§</sup> Diversification does not assure a profit or protect against loss in a declining market.

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**Contact your financial professional for more information on the tax-deferral benefits of annuities.**

**Before investing, investors should carefully consider the investment objectives, risks, charges, and expenses of the variable annuity and its underlying investment options. The current contract prospectus and underlying fund prospectuses provide this and other important information. Please contact your financial professional to obtain the prospectuses. Please read the prospectuses carefully before investing or sending money.**

**Jackson, its distributors, and their respective representatives do not provide tax, accounting, or legal advice. Any tax statements contained herein were not intended or written to be used and cannot be used for the purpose of avoiding U.S. federal, state, or local tax penalties. Tax laws are complicated and subject to change. Tax results may depend on each taxpayer's individual set of facts and circumstances. You should rely on your own independent advisors as to any tax, accounting, or legal statements made herein.**

Guarantees are backed by the claims-paying ability of Jackson National Life Insurance Company or Jackson National Life Insurance Company of New York and do not apply to the principal amount or investment performance of a variable annuity's separate account or its underlying investments. They are not backed by the broker/dealer from which this annuity contract is purchased, by the insurance agency from which this annuity contract is purchased or any affiliates of those entities, and none makes any representations or guarantees regarding the claims-paying ability of Jackson National Life Insurance Company or Jackson National Life Insurance Company of New York.

Alternative investment strategies such as leveraging, arbitrage, and commodities investing are subject to greater risks and volatility than more traditional investment offerings. The subaccounts expect to invest in positions that emphasize alternatives or nontraditional asset classes or investment strategies and, as a result, are subject to the risk factors of those asset classes.

Past performance is no guarantee of future results.

Variable annuities are issued by Jackson National Life Insurance Company (Home Office: Lansing, Michigan) and in New York by Jackson National Life Insurance Company of New York (Home Office: Purchase, New York). Variable annuities are distributed by Jackson National Life Distributors LLC, member FINRA. These may not be available in all states, and state variations may apply. These products have limitations and restrictions. Discuss them with your financial professional or contact Jackson for more information.

**Firm and state variations may apply.**