

How do high-wage  
earners **maximize** current  
estate value, **mitigate** estate  
taxes, and **preserve** wealth?

Robert Downes  
Certified Financial  
Fiduciary  
(630) 995-5176  
[www.jckingfinancial.com](http://www.jckingfinancial.com)



TFP Legacy Plan™

A man and a woman, both in their mid-50s, are sitting at a dark table in a bright, modern office or home setting. The man, with grey hair and a beard, is looking at a laptop screen. The woman, with blonde hair, is leaning over his shoulder, pointing at the screen with her right hand. They appear to be in a collaborative discussion. On the table, there are several sheets of paper and a white coffee cup on a saucer. Large windows in the background show a blurred view of the outdoors.

## A Common Story

A couple in their mid-50s who own a small business and live in the Midwest want to maximize their current estate value and preserve as much wealth as possible.

Together they earn \$550,000 a year, save often, and pay generous taxes. When they retire, they will end up with approximately \$5 million in their qualified plans that is taxable.

As business owners, they have worked hard their entire lives to save that \$5 million, and now they'll have somewhere around \$20,000 of monthly tax-free income at retirement. Far shorter than they anticipated.

## So, how do they fix that?

If they go to their financial advisor and say, “We want to put X amount in the market between ages 55 and 70. How much would we have to save to make that \$20,000 go to \$40,000 of tax-free income?”

The math is straightforward: They would have to save \$25,000 a month and get an 8% return to meet their goals. That means putting away around \$4 million, and it’d be worth somewhere around \$7 or \$8 million.

They realize that saving that much money — \$25,000 per month — would likely mean a significant lifestyle change.

### Is there a better strategy?

Instead of putting back \$25,000 a month, could they do \$25,000 a year?


If they do it for 10 years and use collateral as part of the strategy, you can’t help but consider the risk.

They realize that they would need to achieve a return in the other strategy too, putting \$25,000 in the markets. Plus, paying taxes every year on all that money because it’s not in a qualified plan.

The couple thinks that they have two ways to go: \$300,000 a year or \$25,000 a year. And their biggest risk with the latter is they must be willing to put some of their assets up for collateral.

Were they willing to accept the risks of spending \$25,000 versus \$300,000?

## A Common Scenario

A middle-aged couple is sitting at a desk in a modern office setting. The man, with grey hair and a beard, is looking down at a laptop. The woman, with blonde hair, is leaning over his shoulder, pointing at the screen. They are both smiling and appear to be in a positive, collaborative mood. The background shows a staircase and some office plants.

The couple discovers they **could pay far less tax**, maximize current estate value, and preserve as much wealth as possible with the latter strategy.

They realize that they made enough money to fund a strategy by using **collateral** and **leverage**.

They determined the TFP Legacy Plan™ was the ideal solution because every high-wage earner is seeking tax-free income and more wealth for their retirement years.

**The Uncommon Solution:  
Use Leverage.**

# How Leverage Works Everyday in Our Lives



If you own real estate, you use leverage in the form of a mortgage. Using leverage, you can put little to no money down and use debt to help you realize a return.



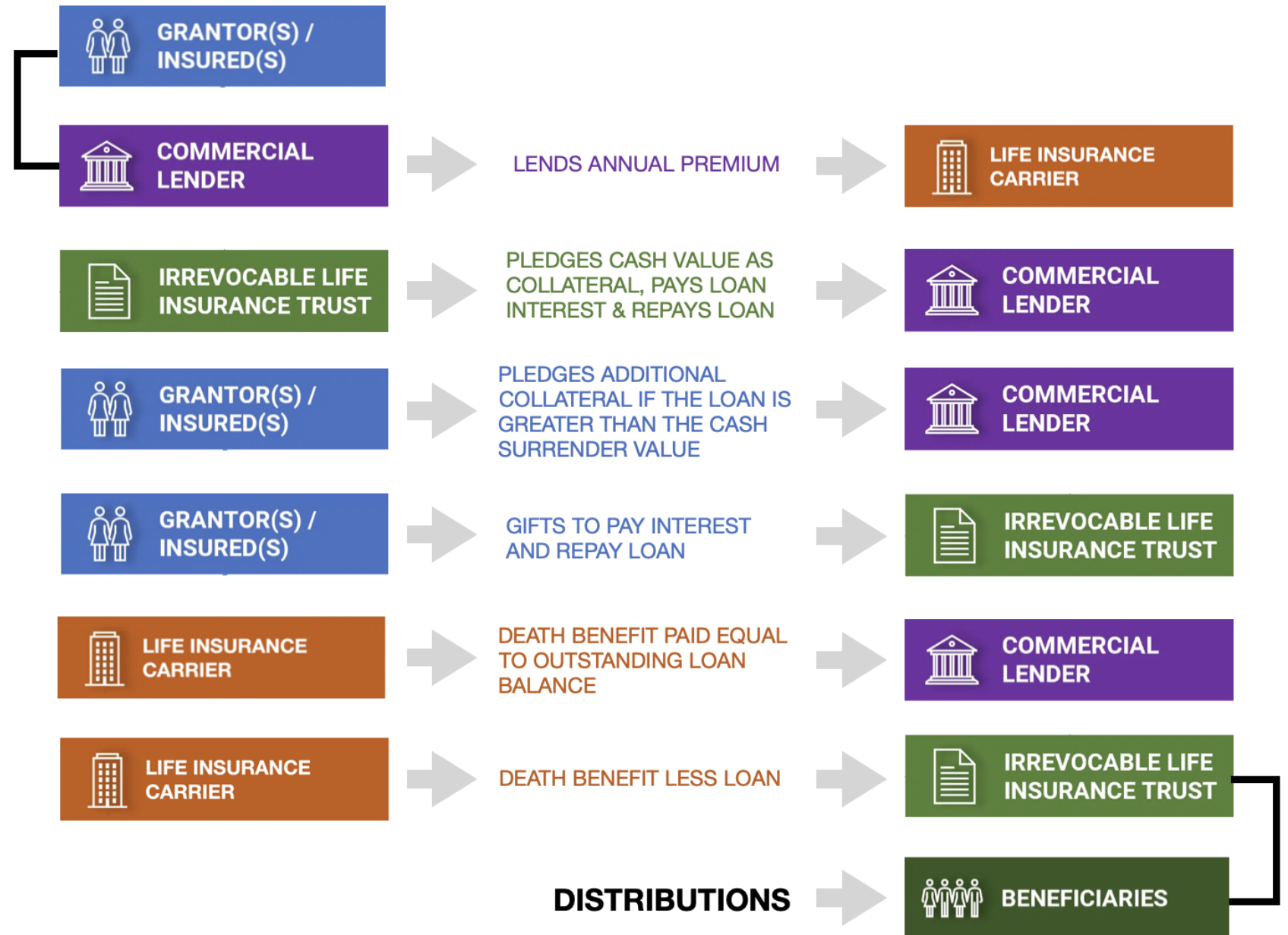
If you need to expand your business, you use leverage as a business loan. Since it is unlikely that you will use your own business capital for the expansion, it is wiser to get a loan.



The TFP Legacy™ plan is similar in that you're using leverage to purchase a highly appreciable asset, maximizing your current estate value and preserving as much of your cash as possible.



By borrowing the money to pay premiums, you can keep existing assets invested in your portfolio, property, or business.



TFP Legacy Plan™ is for high-wage earners

TFP Legacy Plan™ is for people with a spouse and heirs

TFP Legacy Plan™ is a robust tax mitigating strategy

# What are the benefits of the TFP Legacy Plan?



Utilizes borrowing from a lender so clients can retain a significant amount of capital, known as "retained capital." This retained capital remains invested in their existing portfolio or business and can continue to grow without disruption.

Provides supplemental tax-free income stream with minimal up-front out-of-pocket costs.

Creates large, tax-free pools of money and preserves as much of your wealth as possible.

Reduces overall portfolio risk by reallocating assets from one pocket (that the client owns) to another pocket (that the client owns).

Offers a way to maximize your current estate value without relinquishing control of cash or other assets.

Allows clients to efficiently manage their annual gift exclusion and lifetime exemption and create generational wealth.



Schedule your informational  
meeting today to **maximize**  
current estate value, **mitigate**  
estate taxes, and **preserve** your  
wealth.

Robert Downes  
Certified Financial  
Fiduciary  
(630) 995-5176  
[www.jckingfinancial.com](http://www.jckingfinancial.com)



TFP Legacy Plan™