



Webinar Take-Aways **Reframing Legacy Advanced Planning In A Post-SECURE Act World**

Financial Planning

In the rapidly evolving landscape of financial planning, the passing of the SECURE Act marked a seismic shift, particularly as it relates to how advisors approach helping clients with estate planning, retirement distributions, and funding long-term care. For high-net-worth individuals and families, traditional approaches no longer suffice. The conversation should move from merely “passing on wealth” to strategically engineering a legacy.

The 10-Year Rule: Threat or Opportunity?

One of the most significant impacts of the SECURE Act was the elimination of the “Stretch IRA” for most non-spouse beneficiaries. Instead, inherited IRAs must now be fully distributed within ten years, a provision that can inadvertently spike tax burdens during peak earning years.

Rather than view this as a constraint, advisors should see an opening. The 10-year rule offers flexibility in timing distributions. With intelligent coordination, beneficiaries can align withdrawals with years of lower taxable income or even leverage Roth conversions to minimize long-term tax drag. The nuance lies in blending tax strategy with life planning something automated robo-advisors simply cannot do.

Integrating Insurance: From Risk Transfer to Wealth Amplification

Estate taxes at the federal and state level and the often-overlooked Income in Respect of a Decedent (IRD) can erode wealth significantly. Universal Life insurance is a solution that replaces lost wealth and often amplifies the legacy (sometimes dollar-for-dollar or better) when structured correctly. Life insurance is no longer merely about covering final expenses as it can serve as an estate equalizer and tax arbitrage tool.

Long-Term Care: The Silent Disruptor

Perhaps the most underestimated threat to generational wealth is the cost of long-term care (LTC). A six-year LTC event could reduce a client’s estate by over 10% and trigger a significant tax event if assets are pulled from qualified accounts.

But with the rise of hybrid LTC products, clients can now purchase tax-free liquidity in the form of guaranteed benefits compared to self-funding.

A Call to Action

The role of an advisor as an advanced planner has transcended portfolio optimization. Today, it is about holistic wealth choreography, understanding how tax laws, healthcare risks, and product innovation intersect to either erode or elevate a family's financial legacy.

The mandate is clear. Educate clients not just on what's changed, but on what's possible. The SECURE Act closed a door but with strategic foresight and thoughtful coordination, more impactful ones can be opened.



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