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Premium Finance Group (PFG) presents a tax-deferred alternative to the retirement model

PRESS RELEASE Newsfile (/author/newsfile)

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Premium Finance Group (PFG) unveils an alternative to standard retirement models. This solution is focused on young high net worth individuals.

Miami, Florida--(Newsfile Corp. - February 20, 2023) - Making it big in your early years is an enviable accomplishment, with others thinking that you are "set for life". However, young millionaires face a unique challenge; how to make sure their wealth lasts into old age. This is especially important for professional athletes and celebrities, as their window of earning is relatively short, and

cost of living is higher. Entertainers' careers can be volatile, while athletes are at risk of serious injury, impairing their ability to play.

Miami-based financial services firm **Premium Finance Group** (<https://api.newsfilecorp.com/redirect/oJNqxE008>) (PFG) is aware of the challenges faced by young millionaires, especially in today's tough economic climate. The risk of bankruptcy is very real, **with a 2009 report** (<https://api.newsfilecorp.com/redirect/OLVDkuLvVx>) by Sports Illustrated reporting that 78% of former NFL players have gone bankrupt or are under financial stress just two years after retirement. A shocking 60% of NBA players are broke within 5 years of retiring. While sports leagues have implemented support and financial literacy programs since then, much of the responsibility of safeguarding wealth still falls with the individual.

Premium Finance Group Founder and CEO, Manny Vidal, says that there are 3 major risk factors that lead professional athletes and entertainers into bankruptcy - a small earnings window, poor financial knowledge, and overspending - and this is what PFG aims to address.

According to Manny, young millionaires can harness life insurance to protect their finances, while minimizing the need to pay fees and taxes on withdrawals.

Manny shared that a recent client of PFG, a Major League Baseball star, reached out to them for a way to invest without having to pay taxes on the gains. The client wanted to make sure that he will have a source of income between the ages of 45 and 60, which is when the MLB's retirement program kicks in. To help him achieve this, PFG structured an insurance plan designed to suit the baseball star's needs.

"Insurance is the only vehicle that allows you to pull money out as a loan," Manny says. "A loan is not income - therefore, the IRS cannot tax it. It is a very useful tool, and few people know about it. You don't have to pay taxes while the account is building up a sizable amount for retirement, and you don't pay taxes when you draw out the money at regular intervals, like for example, taking out half a million annually for the next 20 years."

Manny compared life insurance with other popular retirement plans, such as a 401(k), IRA, and SEP, in that life insurance is the only one where the plan holder does not have to pay taxes when taking out money. However, Manny clarifies that the insurance income is tax-deferred rather than completely tax free, as the loan out of the life insurance policy is taken from the death benefit.

Manny says, "Insurance offers a huge advantage over other forms of retirement investment, and it's time more people learn about it."






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Source: The Newsdesk

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|  AAPL (/stocks/aapl-stock) | 148.91 | 0.43 | 0.29 | 02/22/2023 04:00:00 PM |
|  MSFT (/stocks/msft-stock) | 251.51 | -1.16 | -0.46 | 02/22/2023 04:00:00 PM |
|  NFLX (/stocks/nflx-stock) | 334.88 | -2.62 | -0.78 | 02/22/2023 04:00:00 PM |
|  SPOT (/stocks/spot-stock) | 120.10 | -0.23 | -0.19 | 02/22/2023 04:00:01 PM |