

# 3 Things You May Not Know *That Annuities Can Do*

When you hear the word annuity, you probably think “retirement” and “guaranteed income.” And while these terms are spot on, there is so much more annuities can do. Think of them as a key player in your financial toolbox before and during retirement, offering a variety of investment options tax-deferred.

**Here are several ways that annuities can help you on your financial journey that you may not have thought of.**

**Save during your working years.** As insurance products, annuities allow for conservative growth of your money tax deferred. So, while saving for retirement, annuities can be one of the tools you use in your accumulation plan to help protect your money, especially if there is a downturn in the market. This makes it beneficial for those who do not like volatility.

**Offer options in retirement.** Once retirement hits, it may mean having to take required minimum distributions from certain retirement accounts. If you don't need immediate access to that cash, it can be reinvested in a tax-deferred annuity for continued safe growth.

**Help your heirs.** With certain annuities, you can pass the account value to your heirs or ensure a guaranteed death benefit. Income annuities, for example, have an option that allows payments to continue to your beneficiaries, giving them worry-free guaranteed income.

Keep in mind that annuities are a powerful tool but are not a one-size-fits-all solution. The type of annuity you choose depends on your financial goals and risk tolerance. Talk to a financial advisor about whether an annuity might be good for you.

