

# TEMPEWICK

WEALTH MANAGEMENT



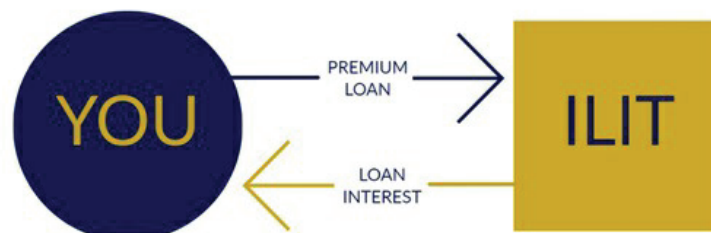
## HISTORIC ESTATE PLANNING OPPORTUNITY. STRIKE WHILE THE IRON IS HOT!

### SEIZE THE DAY!

The July 2020 applicable Federal rates (AFRs) are at historic lows. Now is the perfect time for High Net Worth individuals to use intra-family loans to purchase life insurance.

It's a way for affluent clients to "recycle" family money, moving it from one family account to another and then back again, to avoid paying gift taxes when paying large premiums.

### How It Works



- You create an Irrevocable Life Insurance Trust to own the life insurance policy.
- You make a loan to the trust to pay for the insurance policy.
- The trust pays the AFR for Intra-Family loan.
- The trust pays the annual premium.
- At the end of the trust term, the trust returns the borrowed funds to you.
- The life insurance remains in the trust.

### Benefits For You

Gift Taxes & Estate Taxes

- No gift taxes apply to premium payments since the funds are loaned and not gifted.
- No estate taxes on the death benefit of the policy because the owner & beneficiary is the trust.
- Current low interest rates.
- No third-party loan approval process.
- No Collateral is required.

### Applicable Federal Rates for July 2020

July 2020 RATES				
	ANNUAL	SEMI-ANNUAL	QUARTERLY	MONTHLY
Short-Term	.18%	.18%	.18%	.18%
Mid-Term	.45%	.45%	.45%	.45%
Long-Term	1.17%	1.17%	1.17%	1.17%

The Section 7520\* rate is .6%.

### Applicable Federal Rates for July 2019

(12 Months Ago)

July 2019 RATES				
	ANNUAL	SEMI-	QUARTERLY	MONTHLY

	ANNUAL	ANNUAL	QUARTERLY	MONTHLY
Short-Term	2.13%	2.12%	2.11%	2.11%
Mid-Term	2.08%	2.07%	2.06%	2.06%
Long-Term	2.50%	2.48%	2.47%	2.47%

The Section 7520\* rate is 2.6%.

[Full Details Here](#)

**Contact Tempewick Wealth  
Management Today!**



**FORUM400™**



**TEMPEWICK**  
WEALTH MANAGEMENT

[Visit Our Website](#)

**John Anderson**

[ja@tempewickinvestments.com](mailto:ja@tempewickinvestments.com)

973-285-1000

Tempewick Wealth Management

Managing Principal

<https://www.tempewick.com/>



Securities offered through Kestra Investment Services, LLC (Kestra IS), member / . Investment advisory services offered through Kestra Advisory Services, LLC (Kestra AS), an affiliate of Kestra IS. Tempewick Wealth Management LLC is not affiliated with Kestra IS or Kestra AS. This material is for informational purposes only and is not meant as tax or legal advice. Please consult with your tax or legal advisor regarding your personal situation. Kestra IS and Kestra AS do not provide tax or legal advice.

This site is published for residents of the United States only. Registered Representatives of Kestra IS and Investment Advisor Representatives of Kestra AS may only conduct business with residents of the states and jurisdictions in which they are properly registered. Therefore, a response to a request for information may be delayed. Not all products and services referenced on this site are available in every state and through every representative or advisor listed. For additional information, please contact Kestra IS Compliance Department at 844-553-7872 Option 6,4.

The Five Star Wealth Manager award, administered by Crescendo Business Services, LLC (dba Five Star Professional), is based on 10 objective criteria: 1. Credentialed as a registered investment adviser or a registered investment adviser representative. 2. Active as a credentialed professional in the financial services industry for a minimum of 5 years. 3. Favorable regulatory and complaint history review; 4. Fulfilled their firm review based on internal standards; 5. Accepting new clients. 6. one-year client retention rate 7. Five-year client retention rate 8. Non-institutional discretionary and/or non-discretionary client assets administered; 9. Number of client households served; 10. Education and professional designations. Wealth managers do not pay a fee to be considered or awarded. Once awarded, wealth managers may purchase additional profile ad space or promotional products. The award methodology does not evaluate the quality of services provided and is not indicative of the winner's future performance.

This informational email is an advertisement and you may opt out of receiving future emails. To opt out, please click the "Unsubscribe" link below.

This message was sent by  
**Tempewick Wealth Management**  
973-285-1000  
177 Madison Avenue  
Morristown, NJ 07960

[Unsubscribe](#)