



THE TOP TEN LIFE INSURANCE MISTAKES AND HOW TO AVOID THEM



FOR PEACE OF MIND, CONTACT ELIZABETH ANNE LEY, CPA.

Life insurance is essential to protect your loved ones in the worst situations. It provides peace of mind and helps ease the financial burden left behind. Knowing the proper amount of life insurance coverage to secure may be difficult, depending on your goals. There are several methods to calculate the amount of life insurance that may fit your unique needs, but exercise caution when assessing your needs. The process can be overwhelming, so a financial professional is very useful. This is where Elizabeth Ley can assist you.

In her practice, Elizabeth sees several mistakes made by insureds and owners of life insurance policies. These mistakes are made at the time of sale or uncovered upon reviewing in-force policies. Below is her "Top Ten" list of these common mistakes...

10. Naming an Estate as Beneficiary or Improper Policy Ownership

Naming the insured's estate as beneficiary can cause the inclusion of the death benefit proceeds in the insured's taxable estate.

9. Believing Group Life Insurance is Portable

A common objection people have when purchasing individual life insurance is the reliance on group-term insurance.

8. Failure to Have an Annual Review of Life Insurance

Needs change. Life insurance needs periodically change along with status changes such as marriages, the births of children, etc. Auto and homeowner policies are reviewed annually, so why not life insurance?

7. Sticker Shock Affects Your Decision

Some folks get shocked when seeing what the proper amount of life insurance costs. Most people often reduce the coverage needed to fit into a budget. That's a huge mistake! Elizabeth is a large proponent of selling to need rather than cost.

6. Waiting to Buy Life Insurance

Waiting to purchase life insurance is never a good idea. The needs are NOW.

5. Canceling/Lapsing Old Coverage Before New is Purchased

Another common mistake is letting a current policy lapse before putting new insurance in force.

4. Buying the Cheapest Policy

Just because a particular policy is "cheaper" than another, don't let the less expensive option sway you.

3. Undervaluing a "Non-Working" Spouse

A "non-working" spouse is often ignored during the life insurance conversation. The importance of a non-working spouse to a family's financial stability is often overlooked.

2. Underestimating Your Family's Life Insurance Need

In the information age, almost everything is purchased via the internet, including life insurance. Even if someone purchases life insurance online, it is doubtful they have enough coverage.

AND THE NUMBER-ONE LIFE INSURANCE MISTAKE:

Not Obtaining ANY at All!

This is the worst mistake, but many families have no life insurance.

What does all this mean to you?

Elizabeth is a valuable resource and asset for you or your company. Her clients enjoy the benefits of working together with an individual well-versed in the tax laws and regulations involved in financial planning and insurance...and how all of these play a role in your retirement, an active business, or in selling your business. That is a rare combination. She is known for finding creative ways to accomplish your goals.

A sought-after speaker on business planning, insurance, Medicare, and Social Security topics, clients' trust in Elizabeth Ley's abilities is unparalleled.

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She is happy to meet with you for a no-obligation review.

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