

Balancing retirement income, the impact of taxes, and the potential to build a legacy: Required Minimum Distribution (RMD) Options Study

Tax-deferred retirement accounts like traditional IRAs and 401(k)s are meant to help you save and build your retirement income for the long term. By deferring the taxes on these types of accounts, you submit to taking the money out at a later date – according to the IRS’s timeline, when you turn age 70½.

The amount you take is your RMD. It is considered income and will be included on your yearly taxes, which is why it’s so important to understand the RMD process and how it may impact your financial goals.

What do Americans between the ages of 65 and 75 think about RMDs?

They want to minimize the impact of taxes in retirement.

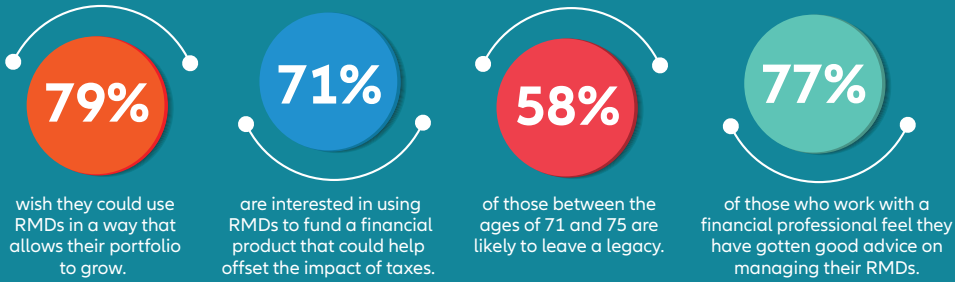
95% think it is very important to reduce taxes in retirement.

32% find it difficult to understand the impact RMDs might have on their taxes.



Instead, they want to put RMDs toward their financial goals.

Likely thanks to their high net worth, many believe they will not need the income their annual RMDs can provide.



80% believe they will not need all of their RMDs for day-to-day living expenses.

88% are familiar with RMD rules on tax-deferred retirement plans.

Most of all, they want a hands-off approach.

57% want the RMD and tax payment to occur without getting involved.

60% would prefer not to have to deal with RMD payments and what to do with the money they have to withdraw.

66% want a another way to deal with RMDs.

As for the ways to use RMDs? Opinions vary by age.



- AGES**
- 71-75 think it is more important to leave a significant portion of savings to beneficiaries.
 - 68-70 are concerned about RMDs putting them in a higher tax bracket.
 - 65-70 are more interested in tax-deferred growth of their RMD disbursements.

For more information, visit allianzlife.com (or allianzlife.com/new-york) or talk to your financial professional.

Allianz Life Insurance Company of North America
Allianz Life Insurance Company of New York

ENT-3232-N-A (12/2018)



To gather information from consumers regarding opinions and behavior around required minimum distributions (RMDs), Allianz Life Insurance Company of North America conducted an online survey. The RMD Options Study was conducted in February/March 2018, and included a nationally representative sample of 805 respondents ages 65-75 with retirement savings of \$500,000 if single or \$750,000 if married and who are the primary decision-maker or share equally in decision-making.

This content is for general informational purposes only. It is not intended to provide fiduciary, tax, or legal advice and cannot be used to avoid tax penalties; nor is it intended to market, promote, or recommend any tax plan or arrangement. Allianz Life Insurance Company of North America, Allianz Life Insurance Company of New York, their affiliates, and their employees and representatives do not give legal or tax advice. Clients are encouraged to consult with their own legal, tax, and financial professionals for specific advice or product recommendations.

Purchasing an annuity within a retirement plan that provides tax deferral under sections of the Internal Revenue Code results in no additional tax benefit. An annuity should be used to fund a qualified plan based upon the annuity’s features other than tax deferral. All annuity features, risks, limitations, and costs should be considered prior to purchasing an annuity within a tax-qualified retirement plan.

All annuity contract and rider guarantees, or annuity payout rates, are backed by the claims-paying ability of the issuing insurance company. They are not backed by the broker/dealer from which this annuity is purchased, by the insurance agency from which this annuity is purchased, or any affiliates of those entities, and none makes any representations or guarantees regarding the claims-paying ability of Allianz Life Insurance Company of North America or Allianz Life Insurance Company of New York. Guarantees do not apply to the performance of the variable subaccounts, which will fluctuate with market conditions.

• Not FDIC insured • May lose value • No bank or credit union guarantee • Not a deposit • Not insured by any federal government agency or NCUA/NCUSIF

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. www.allianzlife.com. In New York, products are issued by Allianz Life Insurance Company of New York, 28 Liberty Street, 38th Floor, New York, NY 10005-1422. www.allianzlife.com/new-york. Variable products are distributed by their affiliate, Allianz Life Financial Services, LLC, member FINRA, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. www.allianzlife.com. Only Allianz Life Insurance Company of New York is authorized to offer annuities and life insurance in the state of New York.