

# CAPTIVE SOLUTIONS

## Benefits of an 831b Captive



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- Create partial reimbursement for currently uninsured losses
- Lower your tax bill
  - By up to \$420,000 annually\*
- Efficiently transfer wealth
  - No estate or gift taxes

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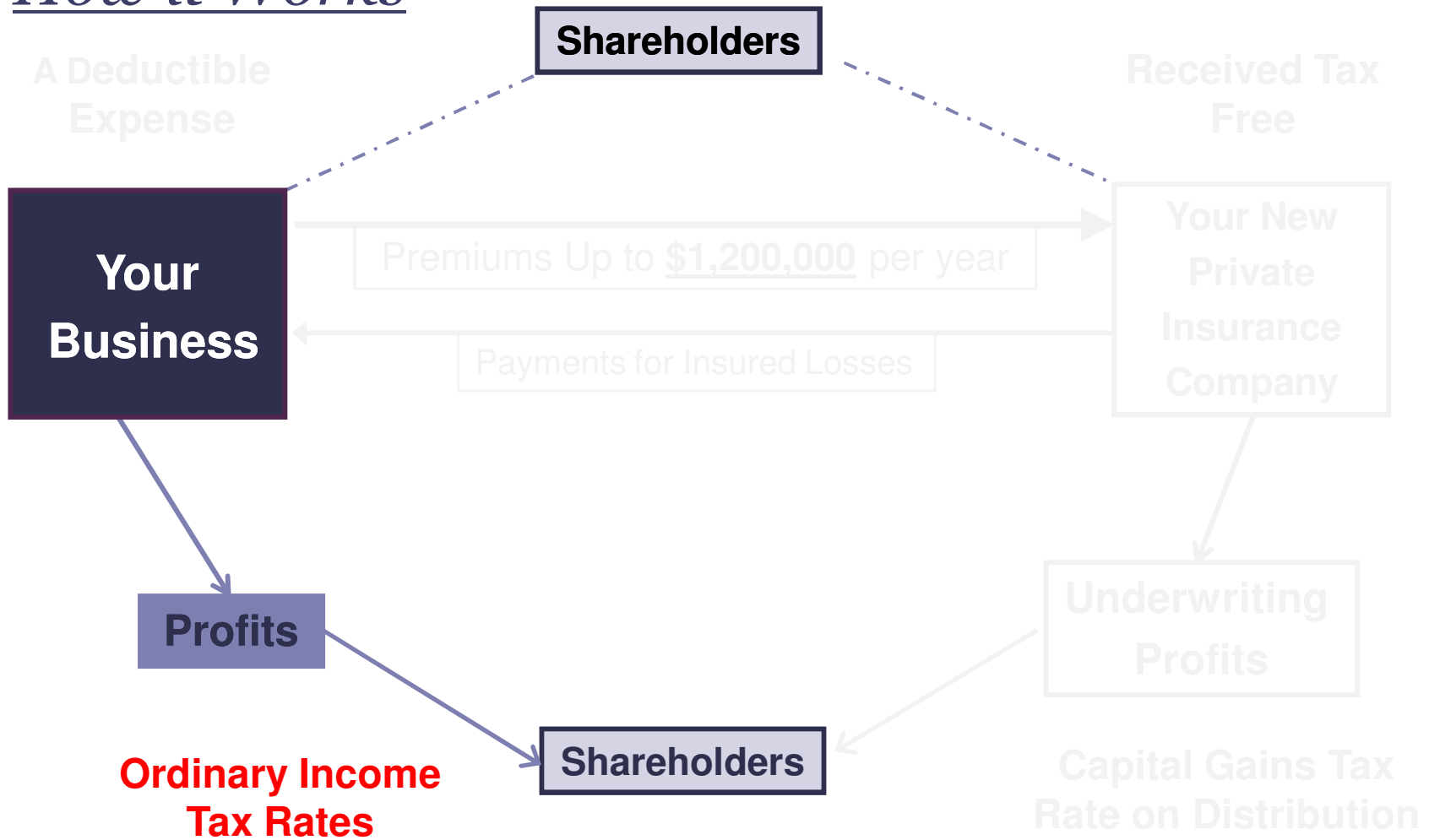
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## What is the process?

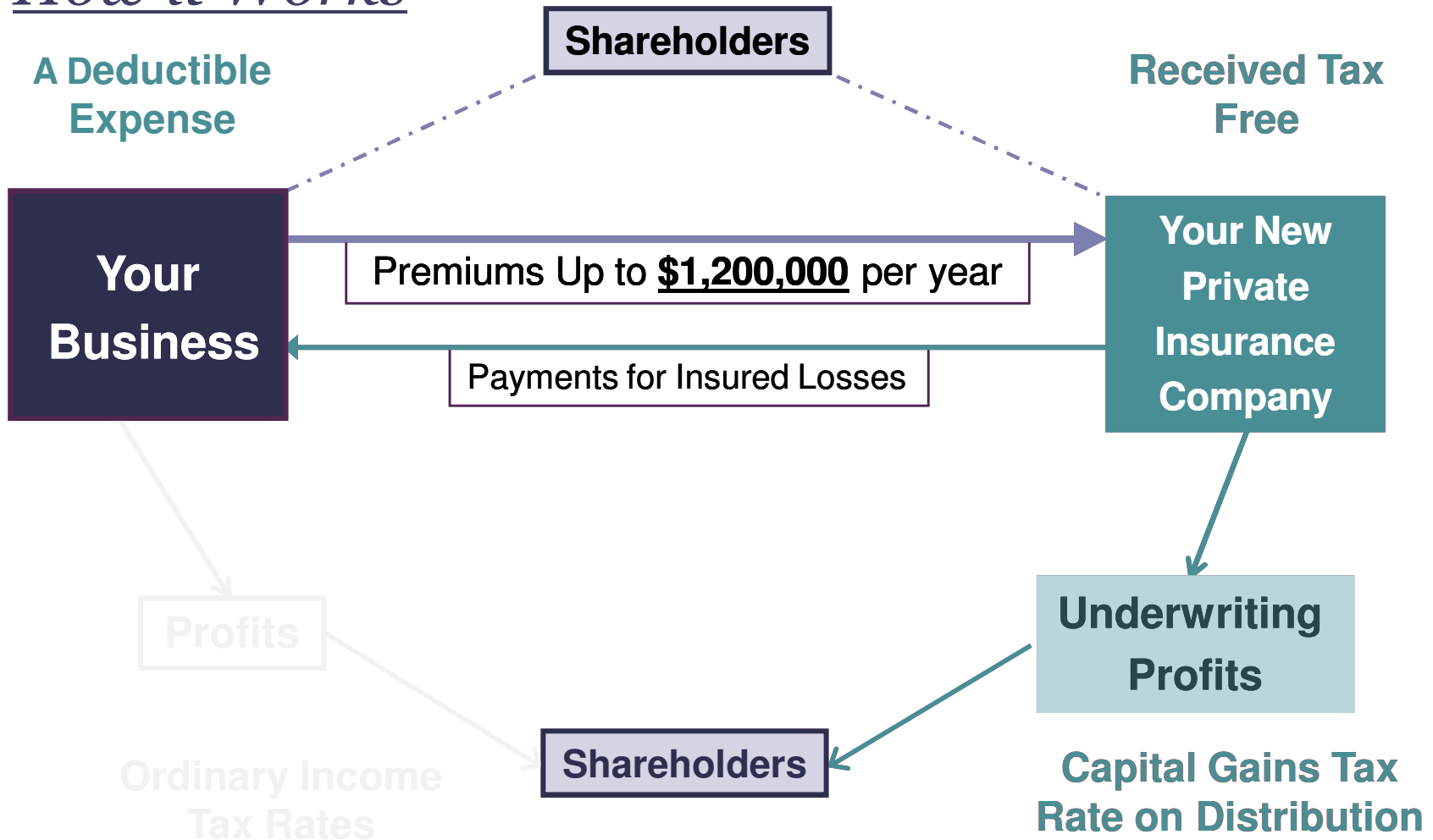
- Identify your *Uninsured* Risks
- Form a new insurance company (Your Captive).
- Your business pays up to \$1,200,000 in premium per year (fully tax deductible) to Your Captive.
- Your Captive receives the premiums Tax-Free.
- Captive profits accessed at **Capital Gains** rather than **Ordinary Income** tax rates.
- Your Captive can be owned by Trust(s).

# How it Works



**You will continue to Purchase Third Party Insurance**

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# What Would the Captive Insure?

- Current Policy Deductibles and/or Exclusions
- Coverage that you don't currently buy or can't buy in the Traditional Insurance Market

Wind/Quake/Flood

Errors & Omissions

Product Recall

Political Risk

Contract Frustration

Environmental

Contingent Business Interruption

Bank Deposits (Excess of FDIC Limits)

Personal Guarantees (Financial)

Patent Protection & Infringement

Punitive & Exemplary Damages

EPLI

Regulatory Liability

Crisis and PR Liability

Workplace Violence

Breach of Data

Excess Liability

# For Additional Information:

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