



# The Power of Tax Deferral



Here's an example of how tax-deferral benefits could increase your earning power. Consider someone whose federal tax bracket is **32%** and has a tax-deferred annuity that earns **5.00%**.

To match those earnings with a taxable investment, they would have to earn a rate of **7.35%** instead!

If your tax-deferred annuity earns:	Federal Tax Bracket			
	22%	24%	32%	35%
	You'd have to earn this rate in a taxable investment to match the earnings of your fixed annuity:			
<b>3.50%</b>	4.49%	4.61%	5.15%	5.38%
<b>4.00%</b>	5.13%	5.26%	5.88%	6.15%
<b>4.50%</b>	5.77%	5.92%	6.62%	6.92%
<b>5.00%</b>	6.41%	6.58%	<b>7.35%</b>	7.69%
<b>5.50%</b>	7.05%	7.24%	8.09%	8.46%

For example purposes only. If you have questions regarding your specific situation, please consult your tax advisor.

Standard Insurance Company | 1100 SW Sixth Avenue, Portland, OR 97204 | [standard.com](http://standard.com)

The Standard is a marketing name for StanCorp Financial Group, Inc. and subsidiaries. Insurance products are offered by Standard Insurance Company of Portland, Oregon in all states except New York. Product features and availability vary by state and are solely the responsibility of Standard Insurance Company.




Surrender charges may apply to withdrawals during the surrender period. A 10% IRS penalty may apply to withdrawals prior to age 59½. Annuities are not guaranteed by any bank or credit union and are not insured by the FDIC or any other governmental agency. The purchase of an annuity is not a provision or condition of any bank or credit union activity. Some annuities may go down in value. The guarantees of an annuity are based on the financial strength and claims-paying ability of Standard Insurance Company. An annuity should not be purchased as a short-term investment.

Not FDIC-Insured • No Bank Guarantee • May Lose Value • Not Insured by Any Federal Government Agency • Not a Bank Deposit

## Triple Compounding

One benefit of an annuity is tax deferral. You won't pay taxes on your earnings until you withdraw funds.

Tax-deferred annuities make your money work harder with triple-compounding, which means:

-  **Earn interest on principal.**
-  **Earn interest on interest.**
-  **Earn interest on tax savings**  
Because interest in an annuity is not subject to income tax until it's withdrawn, 100% of the interest can continue to compound.