

TOP TEN LIFE INSURANCE SALES OPPORTUNITIES

One Big Beautiful Bill

One Big Beautiful Bill (OBBB), signed into law by President Donald J. Trump on July 4, 2025, is a far-ranging legislative measure that touches nearly every aspect of American economic and domestic policy.

OBBB presents potential life insurance sales opportunities for financial professionals. Here are some key areas to consider:

Tax Cuts and jobs Act (TCJA) of 2017 is made permanent

The existing 2017 TCJA is made permanent, and the top personal income tax bracket remains 37%.

1. **Increased disposable income:** With the largest tax cut in U.S. history for middle- and working-class Americans and increased standard deduction amounts, many individuals will have more disposable income. This additional income can be directed towards purchasing life insurance policies to help secure their family's financial future.
2. **Estate planning:** The increase in the estate, gift, and generation-skipping transfer tax exemption to \$15 million per person, \$30 million for married couples starting in 2026 provides an opportunity to discuss life insurance as a tool for estate planning and wealth transfer.
3. **High-income taxpayers:** The expanded State and Local Tax (SALT) deduction and other tax benefits for high-income individuals may influence their financial decisions. While lower tax rates may support the case for Roth conversions, those same conversions can reduce eligibility for deductions like SALT for those over age 65, potentially diminishing their overall benefit — which may strengthen the strategic value of life insurance in a comprehensive financial strategy for tax mitigation and wealth preservation.
4. **Tax-free income:** The bill's provisions for no federal tax on eligible amounts of tips, overtime, or Social Security income can be leveraged to promote life insurance policies as a tax-efficient way to manage and grow wealth.
5. **Business owners:** The bill's provisions for accelerated depreciation and other business tax benefits can be leveraged to promote life insurance policies for business owners, including key person insurance and buy-sell agreements.
6. **Section 199A:** The extension of this provision will maintain the 20% Qualified Business Income deduction for qualified business income from eligible entities other than C Corporations.
7. **Child Tax Credit:** The permanent increase in the Child Tax Credit for over 40 million families provides an opportunity to promote life insurance policies that can help secure the financial well-being of children.

8. **Charitable contributions:** The bill's changes to charitable contribution deductions can be used to promote life insurance policies that include charitable giving options, allowing clients to leave a legacy while benefiting from tax deductions.
9. **Dependent care assistance programs:** The increase in the exclusion from income for employer-provided dependent care assistance can be highlighted as part of a comprehensive financial strategy that includes life insurance to protect families.
10. **Trump Accounts:** The eligibility of Trump Accounts for every American newborn born in 2025 through 2028 offers a new investment vehicle opportunity. Minor children born in the U.S. outside of this range may also be eligible for an account. Although limited to investments in U.S.-based index tracking funds and Exchange Traded Funds, financial professionals can highlight the benefits of pairing these accounts with life insurance policies to provide comprehensive financial strategies for families.

These opportunities can be tailored to the specific needs and financial situations of clients, helping them to achieve their financial goals while providing valuable protection for their loved ones.

Learn more

Does the new legislation raise questions with your clients? We're here to help. Contact the Life Sales Support Team today.

1-877-696-6654 (Broker-dealer)

1-888-413-7860, option 1 (Independent brokerage)

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