

SILA: Key Employee Plans

Course Description

Key employee life insurance is critical to the survival of a business. Most business owners would not operate their business without liability or fire insurance, but may be unaware of the risks they are taking by not insuring the lives of their key employee. This course highlights the uses of key employee life insurance, situations where it is appropriate and the ownership provisions and tax consequences.

Chapter 1 Key Employee Life Insurance

Types of Business Entities; Key Employee Life Insurance in the Business Market; The Key Employee; Putting a Key Employee in Place

Chapter 2 Types of Key Employee Insurance

Insurable Interest; Life Insurance on the Key Employee; Disability Insurance on the Key Employee; Valuation; Golden Handcuffs Concept

Chapter 3 Tax Considerations for Key Employee Insurance

Taxes on Premiums; Taxes on Death Benefits; Business Entity Considerations; The Transfer-for-Value Rule; The Termination of Key Employee Life Insurance Plan