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# Michigan Annuity Rates - Annuities In Michigan

Annuities are becoming more popular for Michigan consumers. If you are seeking shelter with a guaranteed rate of return (tax deferred), then we should talk about a fixed [Michigan Annuity](#).

Typical F.A.Q. about annuities in Michigan.

Q: What is an annuity?

A: A contract from an insurance company that individuals generally use to accumulate money for their retirement on a tax-deferred basis and that guarantees a fixed or variable payment to the annuitant at some future time.

Q: What is a Michigan fixed tax-deferred annuity?

A: An annuity you purchase either with a single sum or with periodic payments to help save for retirement. Earnings in a deferred annuity are not treated as taxable income until they are withdrawn. Withdrawals may be subject to regular income tax, and if made prior to age 59 ½, may be subject to a 10% IRS penalty. In addition, company imposed surrender charges may apply. The policy owner can choose the point at which he or she can convert the accumulated principal and earnings in the contract to a stream of income.

Q: What tax advantages do annuities offer?

A: You pay NO taxes while your money is compounding. You can also pay a lower tax on random withdrawals because you control the tax year in which the withdrawals are made, and only pay taxes on the interest withdrawn, Tax deferral gives you control over an important expense – your taxes. The longer you can postpone this particular expense, the greater your gain when compared to the gain you would make with a fully taxable account.

Q: What is a fixed deferred annuity?

A: An annuity where the individual knows what the current and guaranteed interests rates are and when the interest will be credited to the funds in the annuity. Rates are usually guaranteed for a specified time period. After the specified time period, the policy will generally receive a new interest rate every year equal to the standard rate being credited by the issuing company at that time.

Q: What is the difference between a Michigan deferred and an Michigan immediate annuity?

A: The key difference is that a deferred annuity is a long-term vehicle, designed to accumulate assets over time. When you are ready to receive income, usually at retirement, you can convert your savings to a steady stream of income that meets your needs. Immediate annuities are designed to begin making annuity payments right away or within a short time afterward. In addition, deferred annuities may be purchased with a lump sum or multiple contributions. An immediate annuity is usually purchased with a single lump sum contribution.

Q: Why might I want to purchase an Michigan immediate annuity?

A: If you want to convert a lump sum into an income stream starting immediately, want a lifetime income, or seek a wide range of payout options in order to provide income for specific financial needs or to provide for a spouse, an immediate annuity may be the right option for you.

We continue to work with some of the safest annuities in the market.

Current April Rates for deferred annuities-

1 Year Guarantee – 1.75%

2 Year Guarantee – 1.65%

3 Year Guarantee – 2.75%

4 Year Guarantee – 3.30%

5 Year Guarantee – 4.05%

6 Year Guarantee – 3.40%

7 Year Guarantee – 4.00%

8 Year Guarantee – 3.80%

9 Year Guarantee – 3.85%

10 Year Guarantee – 3.85%

Contact us to learn more today, or with any questions you might have about a Michigan annuity.

Randy Palmer

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