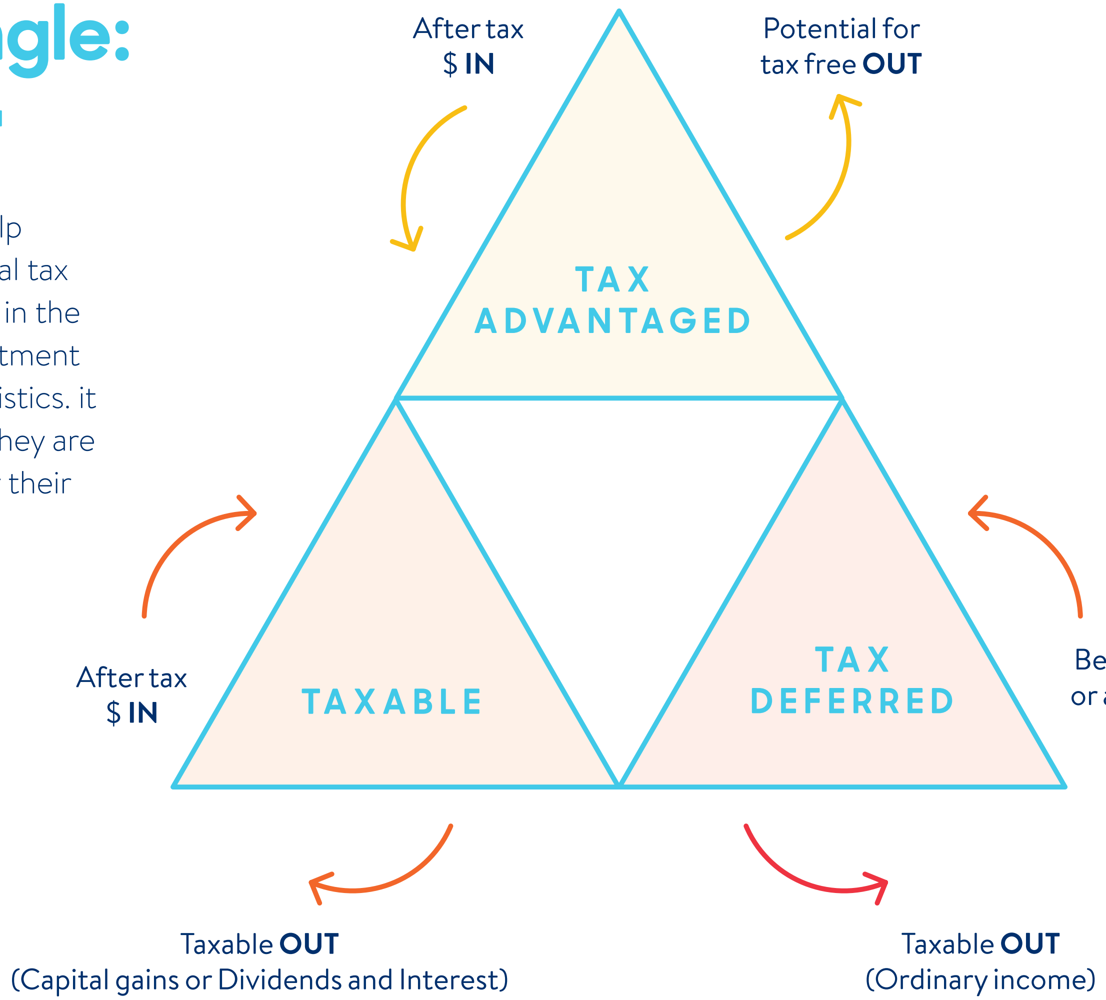
Tax control triangle:

Tailoring a strategy that's right for you

The Tax Control Triangle is intended to help the financial planner illustrate the potential tax benefits and implications, both today and in the future, of saving dollars into various investment vehicles with different taxation characteristics. it is designed to be used with clients while they are in the accumulation phase of planning for their retirement and other goals.

Because different types of accounts and investments offer specific tax advantages, you can gain more control over your future taxes by placing money in a variety of assets. Taxation is just one consideration when making investment decisions.

Let's take a look at your current portfolio and tax diversification opportunities for your situation.



Step 1: Fill out the rows and fields that start with **orange** text.

In this section, we want to illustrate potentially redirecting assets over the course of your savings years to illustrate a more optimal tax strategy in retirement. Note: % must add up to 100%.

Current Asset Level: Enter current asset level or projected future asset level at retirement.

Please only fill out the rows and fields that start with orange text.	**Tax-Advantaged**	**Taxable**	**Tax-Deferred**
Current asset level:	$	$ 500,000.00	$ 1,500,000.00
Current asset % :	0%		
Recommended asset level:	$	$	$
Recommended asset % (must total 100%):	25 %	25 %	50 %

Step 2: Fill out the rows and fields that start with **orange** text.

This section provides the flexibility to enter the current tax rates (see IRS website for current tax rates) or a future projected tax rate.

Annual Income Need (Investable Assets):
This is the annual income need (gap) that will need to be created with the client's investable assets and will not be dependent on income sources such as (SS income, Pension, Rental Income, Other).

Assumed Capital Gain Tax Rate:
See IRS website for current capital gains tax rates.

Assumed Ordinary Income Tax (Federal & State):
See IRS website for current ordinary income tax rates. Note: refers to the Effective or Average tax rates for both Federal & State.

Future Need Scenarios	
Annual Income Need (Investable Assets)	$ 100,000.00
Assumed Capital Gains Tax Rate:	%
Assumed Ordinary Income Tax Rate (Federal & State):	%

Step 3: Fill out the rows and fields that start with **orange** text.

In this final section, we utilize the data provided in sections 1 and 2. The formulas calculate the annual asset distribution need grossed up for the tax rates indicated in section 2 to arrive at the annual after tax income need.
The Total Tax Savings in Retirement: illustrates the potential total tax savings throughout the client's retirement. Calculated by multiplying the difference "Difference (tax savings per year)" by "# of Years in Retirement".

Annual Asset Need	Current Scenario	Recommended Scenario
Tax-Advantaged:	$ 0.00	$
Taxable: Need ÷ (1-Capital Gains Tax)	$	$
Tax-Deferred: Need ÷ (1-Ordinary Income Tax)	$	$
Assets Needed For One Year:	$	$
Difference (tax savings per year):		$
# of Years in Retirement		
	Potential Tax Savings in Retirement	$

Assets are distributed proportionately to the corresponding percentages above and are grossed up for tax rates indicated — arriving at the after-tax income need.

The information provided is not written or intended as specific tax or legal advice. MassMutual, its employees and representatives are not authorized to give tax or legal advice. Individuals are encouraged to seek advice from their own tax or legal counsel.

Securities, investment advisory, and financial planning services offered through qualified representatives of MML Investors Services, LLC (MMLIS), a registered investment adviser and broker/dealer, a MassMutual subsidiary, 1295 State Street, Springfield, MA 01111-0001.