

Calculation: 401K vs Tax-Free Alternative

	A	B	C	D	E	F	G	H	I	J
1										
2			Taxable 401K vs Fax-Free Alternative							
3	Investment:	Mutual Fund/401K								
4	Investment:	\$6,000	Taxed vs. Tax-Free Comparison							
5	Growth Rate:	0.05								
6	Sales Charge:	0.025							Tax-Free	
7	After Tax withdrawal		\$9,900		Taxable				Life Insurance	
8	Tax Bracket		30%		401K				(pages 21-24 of illustration)	
9		End of Yr		Year End		Taxes	Account	Withdraw	Surrender	Death
10	End of Yr	Age	Investment	Value	Income	Paid	Value		Value	Benefit
11	1	46	\$6,000	\$ 6,143	0		4256		0	318042
12	2	47	\$6,000	\$ 12,431	0		8585		14	318042
13	3	48	\$6,000	\$ 18,869	0		13103		4707	318042
14	4	49	\$6,000	\$ 25,459	0		17774		9727	318042
15	5	50	\$6,000	\$ 32,206	0		22607		14910	318042
16	6	51	\$6,000	\$ 39,114	0		27577		20230	318042
17	7	52	\$6,000	\$ 46,185	0		32731		25734	318042
18	8	53	\$6,000	\$ 53,425	0		38113		31641	318042
19	9	54	\$6,000	\$ 60,836	0		43767		37819	318042
20	10	55	\$6,000	\$ 68,423	0		49672		44249	318042
21	11	56	\$6,000	\$ 76,191	0		57626		52903	318042
22	12	57	\$6,000	\$ 84,143	0		65968		62120	318042
23	13	58	\$6,000	\$ 92,284	0		74783		71809	318042
24	14	59	\$6,000	\$ 100,618	0		84127		82203	318042
25	15	60	\$6,000	\$ 109,150	0		94004		93129	318042
26	16	61	\$6,000	\$ 117,885	0		104423		104423	318042
27	17	62	\$6,000	\$ 126,827	0		115399		115399	318042
28	18	63	\$6,000	\$ 135,982	0		126973		126973	318042
29	19	64	\$6,000	\$ 145,354	0		139169		139169	318042
30	20	65	\$6,000	\$ 154,949	0		152016		152016	318042
31	21	66	\$0	\$ 144,486	\$14,143	\$4,243	159525	9900	159525	318042
32	22	67	\$0	\$ 133,775	\$14,143	\$4,243	167426	9900	156920	307536
33	23	68	\$0	\$ 122,809	\$14,143	\$4,243	175720	9900	154088	296409
34	24	69	\$0	\$ 111,583	\$14,143	\$4,243	184431	9900	151016	284627
35	25	70	\$0	\$ 100,090	\$14,143	\$4,243	193588	9900	147695	272149
36	26	71	\$0	\$ 88,324	\$14,143	\$4,243	203211	9900	144104	258935
37	27	72	\$0	\$ 76,279	\$14,143	\$4,243	213360	9900	140259	244941
38	28	73	\$0	\$ 63,948	\$14,143	\$4,243	224097	9900	136177	230122
39	29	74	\$0	\$ 51,324	\$14,143	\$4,243	235468	9900	131855	214428
40	30	75	\$0	\$ 38,400	\$14,143	\$4,243	247548	9900	127315	197809
41	31	76	\$0	\$ 25,169	\$14,143	\$4,243	260435	9900	122602	180209
42	32	77	\$0	\$ 11,624	\$14,143	\$4,243	274205	9900	117733	161570
43	33	78	\$0	\$ (2,243)	\$14,143	\$4,243	288968	9900	112759	141832
44	34	79	\$0	\$ (16,439)	\$14,143	\$4,243	304865	9900	107753	122996
45	35	80	\$0	\$ (30,972)	\$14,143	\$4,243	321783	9900	102534	118623
46	36	81	\$0	\$ (45,851)	\$14,143	\$4,243	339591	9900	96900	113880
47	37	82	\$0	\$ (61,083)	\$14,143	\$4,243	358338	9900	90822	108739
48	38	83	\$0	\$ (76,676)	\$14,143	\$4,243	378064	9900	84259	103162
49	39	84	\$0	\$ (92,640)	\$14,143	\$4,243	398809	9900	77162	97103
50	40	85	\$0	\$ (108,983)	\$14,143	\$4,243	420610	9900	69481	90511
51	41	86	\$0	\$ (125,714)	\$14,143	\$4,243	443505	9900	61152	83327
52	42	87	\$0	\$ (142,843)	\$14,143	\$4,243	467500	9900	52082	75457
53	43	88	\$0	\$ (160,378)	\$14,143	\$4,243	492625	9900	42191	66822
54	44	89	\$0	\$ (178,330)	\$14,143	\$4,243	518910	9900	31394	57340
55	45	90	\$0	\$ (196,708)	\$14,143	\$4,243	546357	9900	19571	46889