

\$12 trillion
protection gap

Finseca is here to change that.
Helping make America financially stronger, one family at a time.

199A Permanence: A Win for Small Business Success

H.R. 1 made Section 199A permanent, helping main street businesses keep employees, grow, and compete with larger companies. It also supports financial security professionals providing holistic planning for businesses and families.



Americans Need Financial Security Professionals for Holistic Retirement Planning

A study shows that combining investments, life insurance, and annuities **improves** retirement outcomes. Most financial security professionals are independent contractors who **benefit** from the Small Business Deduction (Section 199A).



Helps People Start New Businesses

By helping grow the ranks of the financial security profession, the deduction helps deliver financial security to more Americans. Section 199A provides a boost to those just starting out in the business – and helps address challenges such as the \$4 trillion retirement savings gap,¹ the life insurance protection gap for 102 million Americans,² and ensuring more Americans have a holistic plan for their financial security.³



Support Job Creation and Wage Growth

The Small Business Deduction, linked to capital investment or W-2 wages, enables Finseca members to **grow** their businesses, **create** jobs, and **support** their communities. It also helps financial security professionals expand access to financial protection. Additionally, many Finseca members assist pass-through business clients with essential planning.

What is Section 199A?

Section 199A lets small businesses deduct 20% of their qualified business income from taxable income. It applies to pass-through entities like sole proprietorships, partnerships, S corporations, and LLCs, where income passes through to individual owners.

Finseca's mission is to advocate for the financial security profession, develop and grow its leaders, and promote the noble and necessary work our members do to provide financial and retirement security for the individuals, families, and businesses they serve.

[1] <https://www.ebri.org/retirement/retirement-security-projection-model/content/retirement-savings-shortfalls-evidence-from-ebri-s-2019-retirement-security-projection-model>

[2] LIMRA, 2021 Insurance Barometer – The Life Insurance Need Gap

[3] <https://www.ey.com/en-us/insurance/how-life-insurers-can-provide-differentiated-retirement-benefits>