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You need to plan your retirement well in advance, so as to financially secure your futures. You can choose annuity investments as retirement option, as you will be provided with steady flow of income on a regular basis. There is a vast array of annuity schemes that are available in the market. Among them the life annuity and retirement annuity schemes are highly preferred by the pension holders.

Annuity schemes are always taken up for a particular span of time. In case of annuity investments, the time period for which the annuity plan is being adopted is directly proportional to the size of the payment. No taxes are being levied on the annuity schemes. You are required to make your payments either monthly, quarterly, half yearly, or annually.

Retirement annuity schemes are also known as tax-deferred annuities. The tax deferred annuity schemes can be categorized into three different categories. They are - fixed annuity, variable annuity, and equity- indexed annuity.

If you invest in fixed annuities you will be offered a fixed rate of interest. You can be sure of receiving a fixed income every month, as you remain unaffected by the market fluctuation. Variable annuities as the name suggest offer variable rate of interest, which in turn are subjected to the market condition.

People who are below the age of 70 can take up retirement annuity schemes. Once you attain the age of 55, you become eligible to receive payouts, either in the form of disbursements or distributions. According to your financial requirements you can either opt for periodic payment or can take lump-sum amount at a single go. However the rate of return offered by different insurance companies may vary from one another.

Retirement annuity schemes provide you with higher interest rate as compared to the other retirement investment plans. Before investing in retirement annuity schemes you need to carry out detail market research, so as to find out which insurance provider is offering you the best rate of interest. According to the financial advisor retirement annuity schemes should be bought as soon as you start planning for your retirement.

You can invest your tax refund, certificate maturation amount, or any other personal savings to buy retirement annuity schemes. You can use tax calculators in order to calculate retirement annuities.

Unlike the retirement annuity schemes, life annuity policies have no fixed time period for which the plan remains valid. They are often referred as longevity insurance. You will enjoy guaranteed flow of income till the last day of your life. In case of your death the periodic payment will automatically get transferred in the name of your beneficiary. The contract with the insurance provider gets terminated, if there is no beneficiary.

Both retirement annuity schemes and life annuity policies, makes you eligible to receive tax benefit. This obviously saves the pension holders from the burden of paying additional taxes.

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Robert Jhonson is a Financial consultant who has good information on a [life annuity](#) and a [retirement annuity](#). For more information, he recommends you to visit a www.immediateannuities.com/.

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