

Factsheet Israel

Unit-linked life insurance on payment of single premium

	General remarks
Duration	<ul style="list-style-type: none">_ There is no minimum or maximum duration. The duration can be freely chosen (whole of life is possible)
Investment	<ul style="list-style-type: none">_ Existing portfolio or account can be used as a premium, while all bankable assets can be placed in the policy account
Additional contributions	<ul style="list-style-type: none">_ Possible at any time
Biometric risk	<ul style="list-style-type: none">_ 1% death benefit
Remarks	<ul style="list-style-type: none">_ Free choice of asset manager and depositary bank_ Transfer of portfolio is possible_ Insurance benefit not part of the estate_ Wealth planning during your lifetime and estate planning_ Unlimited choice of beneficiaries in terms of rank and share, revocable at any time_ Asset protection in the case of irrevocable beneficiary nomination or where the contract is drafted accordingly (and where contract law so stipulates)
	Tax treatment
„Insurance tax”	<ul style="list-style-type: none">_ 2.3% („premium tax”). In the existence of a Double Taxation Treaty that tax would not be applicable
Taxes during period of insurance	<ul style="list-style-type: none">_ None_ No wealth tax, no income tax
Survival (capital life insurance)	<ul style="list-style-type: none">_ Income (“capital gains”) are taxed at 25% for non-Israeli currency assets – 15% for Israeli currency assets

	Tax treatment
Survival – lump sum option (annuity insurance)	_ Annuity insurance not offered
Survival – pension coverage (annuity insurance)	_ Annuity insurance not offered
Surrender	_ See survival (capital life insurance)
Partial surrender	_ See survival (capital life insurance)
Income taxes on death	_ Capital gains are taxed at 25% for non-Israeli currency assets. The risk component is tax exempt, provided that the beneficiaries are relatives of the insured and Israeli tax resident.
Inheritance taxes on death	_ None
Gift tax	_ None

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