

# You Can Transfer Your Life Insurance Policy Ownership!

Posted on [October 23, 2015](#)

Do you personally own life insurance on your own life? Do you also own a corporation that is running a business? Do you have significant investment assets? If so, there may be an opportunity for you to transfer your life insurance policy to your corporation with little or no tax liability!

When ownership of a life insurance policy is transferred, a disposition occurs for tax purposes. If you are transferring the policy from yourself to your corporation it is understood as a non-arm's length transaction. The proceeds you will receive from a non-arm's length transaction are equal to the policy's cash surrender value, the sum of money you receive if you terminate your policy. This remains true even if the purchase price of the policy is higher than the cash surrender value. Depending on your circumstances, your policy can have a surprisingly high value which can create significant advantages for you after the transfer.

Legislative change in this area has been expected for a number of years, but advisors have not seen any proposed changes for this opportunity. Change could happen at any time though, so you should speak to your advisor sooner rather than later if you are interested in taking advantage of this opportunity.