



# *Income Protection*

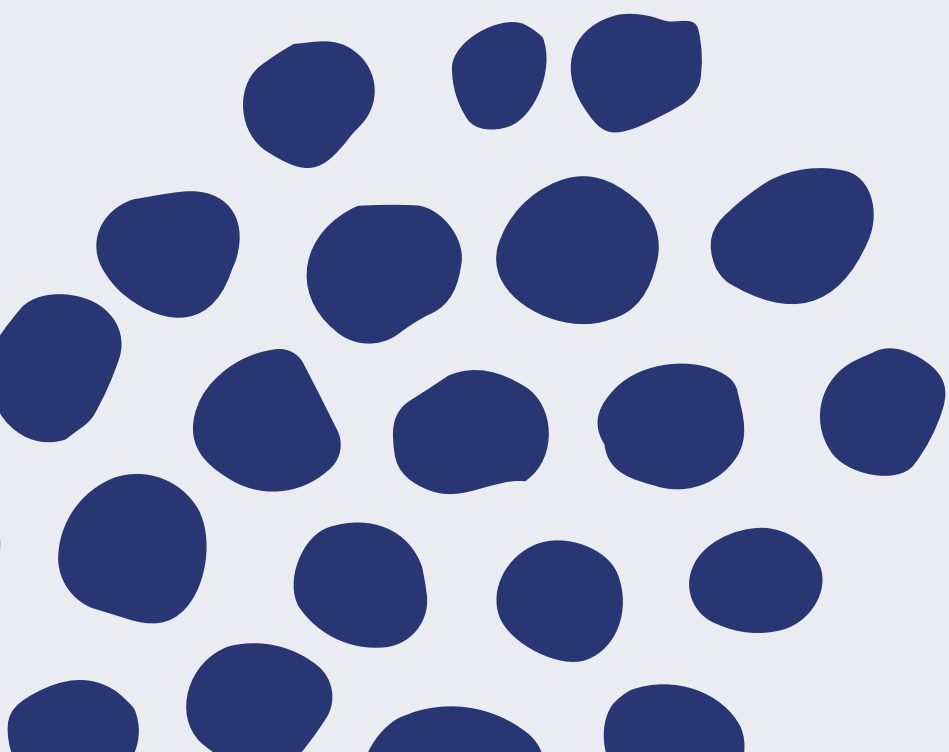
– Maria Tomlinson

Self Employed Carer Coach

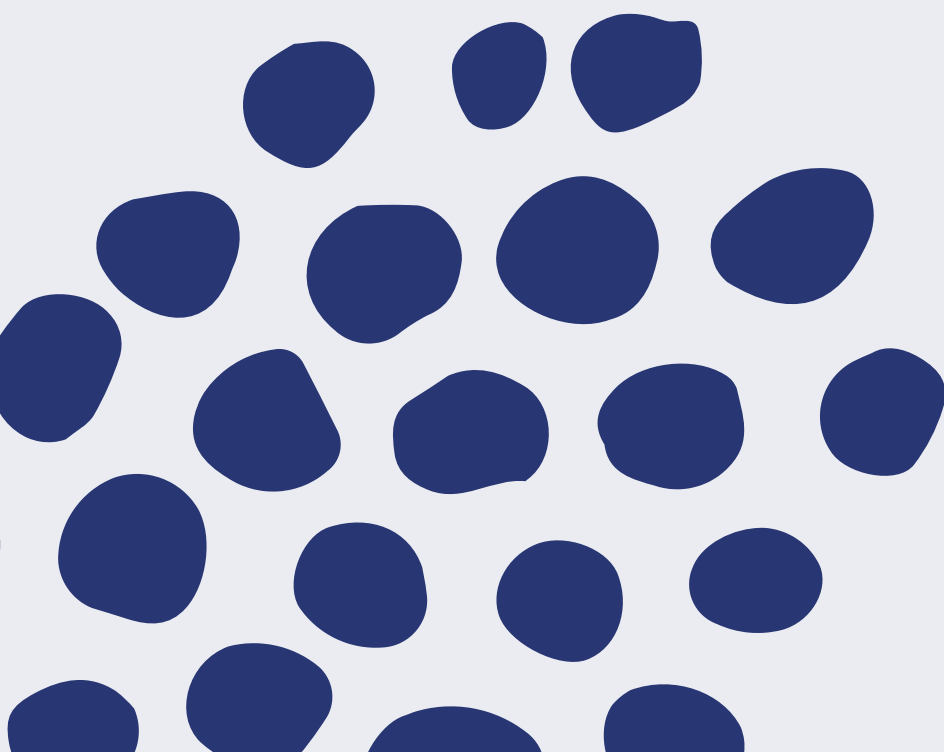
Founder of the Professional Carers Network



The other possible  
insurance you should  
consider...



*Income Protection*






# What is it?

Income Protection is an insurance policy designed to pay out a regular income if you are unable to work due to an accident, sickness or unemployment.

The pay-out can make sure you are still able to meet your essential household costs.

For example, your mortgage/rent, utilities and to put food on the table, until you are able to return to work.



# How Does It Work?

- Short-term plan - 1 or 2 year payment terms
  - Long-term plan - pay out until retirement, death or your return to work.
  - The amount of protection you can have is based on a percentage of your income, which varies from 50% to 70%.
  - Payments are also completely tax-free
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- If you cannot afford to be off work for 1 day, you can choose for the cover to pay out from day 1. This gives you the peace of mind that you are protected straight away.
  - Cover can also start from 1 week, 4 weeks, 8 weeks and so on.
  - Generally, the longer you can wait for the pay-out, the lower your monthly premiums will be.

Premiums will also depend on your age, health, occupation and how much cover you need.

# Why Take Out Income Protection?

Family – If your family depend on your income, the loss of income can be severe.


Household Costs – Income Protection can ensure that in the event you cannot work due to illness or injury, you can still afford to pay your essential household bills. For example, mortgage/rent, utilities etc.

Self Employed – If you're self-employed, unfortunately, you won't receive any sick pay or SSP. Income Protection can be important to ensure your income is replaced if you fall ill.



# How Much Does It Cost?

The cost of an income protection policy will vary depending on a few factors. These factors are...

- Age
  - Occupation
  - Pre-existing medical conditions
  - Amount of Income you want to protect
  - Defer Period
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# How Do I Find The Best Deal?

So Manor Financial Advice provide a broker style service where they can ask you what they need to know, so some health questions, they will ask your weight and height, as well as some lifestyle questions and income figures.

They then find the best available policy for you at the best price. Think of it a bit like compare the market for car insurance but for income protection.

It is free to get a quote. So I would absolutely recommend giving them a ring and seeing what figures you are looking at. And if you did take a policy out, the monthly insurance premium can be used as a business expense for tax purposes too.






Having said all that....

In life, if you was to take out every insurance policy going, eg, life, income, pet, house, dishwasher, gadgets, phones, car, tv, travel, holiday, .. you would soon be paying more in insurance than it would ever benefit you!

But it is for you to decide where you draw the line as to what risks you take.





# Make an informed choice

According to consumer group Which?, Income Protection is the one insurance product that every UK working adult should consider.

And that is exactly what I am recommending here:

- give them a ring,
  - learn how much your policy would be and
  - you can then make an informed choice as to whether it is something you should have or not.
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- Here's [the link to find out more!](#)
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