

Weekly Insight  
December 1, 2025

## ***For Kansans: What Are the Benefits of Life Insurance?***

### **This Week's Focus**

**Life insurance creates a pool of money your family can use when you are gone.**

In Kansas, a policy can replace income, help pay debts and final expenses, and keep loved ones from having to sell important assets during a hard time. Death benefits paid to a named beneficiary are generally income tax free at the federal level, and Kansas does not add its own estate or inheritance tax. When you name a living person as beneficiary, life insurance money usually bypasses probate and, in many situations, is protected from creditor claims under Kansas law.

This edition of SFL Weekly Insights clearly explains these benefits in plain language, outlines key policy types and riders, and gives you a Kansas buyer checklist so you can match coverage and cost to your family's plan.

### **What You Will Learn**



**Core benefits for  
Kansas families:  
income, debts,  
final costs**



**How Kansas law  
treats taxes,  
probate, and  
creditor  
protection**



**Policy types  
and riders that  
match real-life  
needs**



**Simple buyer  
checklist to make  
things easier**



# Life Insurance Basics For Kansas Families

**SFL** Solutions  
For Life

## *What Life Insurance Does*

Life insurance is a simple promise: if you die while the policy is in force, the company pays money to the people you name. That money can help your family pay everyday bills, finish the mortgage, cover funeral costs, and keep savings plans on track. These are some of the biggest benefits of life insurance in Kansas.

## *How It Pays Out In Kansas*

When you name a living person as your beneficiary, life insurance money usually goes straight to that person instead of into your estate. That means it normally does not go through probate, so your family can receive funds faster. In most cases, the death benefit is not taxed as income to your beneficiary, although any interest the company pays on top of the benefit can be taxable. Kansas does not have its own estate or inheritance tax, so there is no extra state “death tax” on top of federal rules.

## *Protections And Policy Types*

Kansas law often protects life insurance money paid to a named beneficiary from many creditor claims, which can help keep more of the benefit in your family’s hands. Policies sold in Kansas also include consumer protections like a “free-look” period and a grace period for late payments.

## *Most families choose from **three main types of life insurance**:*

- Term life – Covers you for a set number of years and usually gives the most coverage per dollar during working years.
- Whole or universal life – Aims to last your whole life if funded properly and can build cash value over time.
- More advanced options (indexed or variable) – Tie growth to markets and can carry more risk and fees, so they should be explained very clearly.

The rest of this edition will look at common policy features and riders in Kansas and give you a simple buyer checklist so you can match coverage and cost to your own family’s needs.



# Kansas-Specific Benefits, Riders, and a Quick Fit Test

## ***Extra Kansas Benefits To Know***

In Kansas, life insurance can do more than replace income. When you name a living person as your beneficiary, the money usually goes straight to that person instead of into your estate. This often means it does not go through full probate, so your family can receive funds faster and with less paperwork. Kansas does not have a state estate tax or a state inheritance tax. For most families, there is no extra Kansas “death tax” on top of federal rules, so more of the benefit can support the people you care about. In many everyday cases, Kansas law also protects life insurance money paid to a named beneficiary from many creditor claims, which can help keep more of the money in your family’s hands.

## ***Helpful Policy Add-Ons (Riders)***

Many policies in Kansas let you add extra features, called riders, for an added cost:

- Waiver of Premium – May keep coverage in force if you qualify as totally disabled.
- Accidental Death Benefit – Adds extra money if death is caused by a covered accident.
- Guaranteed Insurability – Lets you buy more coverage later at set times without new health questions.

These riders can help your policy fit changes in health, income, or family size.

Quick Fit Test: Would Life Insurance Help Me Now?

## ***Mark each box that fits you:***

- ☐ Someone depends on my income (spouse, child, or other family).
- ☐ My family would need cash to pay a mortgage, car loan, or other debts.
- ☐ I want money ready for funeral and final expenses.
- ☐ I own a small business, farm, or practice that would need cash to keep going or change hands.
- ☐ I want some of my legacy to avoid probate delays and go straight to people I choose.

If you marked one or more boxes, life insurance can offer real benefits for your Kansas family right now. An SFL review can help you match policy type, riders, and coverage amount to your answers on this page.



## Mistake 1: No Coverage

**Exercise:** List your family's financial needs (mortgage, education, etc.) and estimate the total amount of life insurance required.

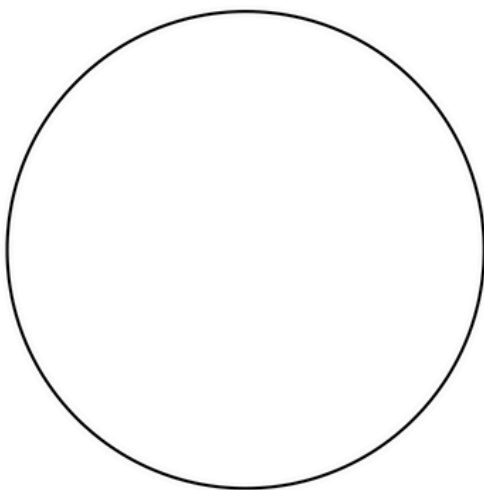
### Reflection Question:

What's stopping you from securing adequate life insurance coverage today?

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**Instructions:** Fill out the pie chart with the percentages of your total financial needs allocated to each category. This will help visualize where you need the most coverage.



- ☐ Mortgage
- ☐ Education
- ☐ Daily Living Expenses
- ☐ Medical Bills
- ☐ Emergency Fund
- ☐ Other \_\_\_\_\_



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