

OWNER-ONLY BUSINESS	EMPLOYEE WITH SIDE-INCOME																							
<p>Objective: Maximum contribution and tax deduction</p> <p>Profile: Independent consultant age 52, has W-2 income of \$300,000 and plans to retire at 62.</p> <p>Solution: Defined Benefit (DB) Plan for 10 years and a 401(k)</p> <table border="0"> <thead> <tr> <th></th> <th>DB only</th> <th>DB + 401(k)</th> </tr> </thead> <tbody> <tr> <td>2016 Contribution :</td> <td>\$182,200</td> <td>\$222,100</td> </tr> <tr> <td>Tax Savings@ 38% :</td> <td>\$69,200</td> <td>\$84,300</td> </tr> <tr> <td>Projected DB Accumulation :</td> <td>\$2.54 Million</td> <td></td> </tr> <tr> <td>Annual DB Benefit :</td> <td>\$210,000</td> <td></td> </tr> </tbody> </table>		DB only	DB + 401(k)	2016 Contribution :	\$182,200	\$222,100	Tax Savings@ 38% :	\$69,200	\$84,300	Projected DB Accumulation :	\$2.54 Million		Annual DB Benefit :	\$210,000		<p>Objective: Reduce taxes on side income</p> <p>Profile: University Professor, age 56, also has \$150,000 in sole proprietor income for the past several years from consulting, board fees and speeches (after paying self-employment taxes) and plans to retire at 62.</p> <p>Solution: DB Plan for 6 years for side income</p> <table border="0"> <tbody> <tr> <td>2016 Contribution :</td> <td>\$120,000</td> </tr> <tr> <td>Tax Savings@ 38% :</td> <td>\$45,600</td> </tr> <tr> <td>Projected DB Accumulation :</td> <td>\$856,400</td> </tr> <tr> <td>Annual DB Benefit :</td> <td>\$70,600</td> </tr> </tbody> </table>	2016 Contribution :	\$120,000	Tax Savings@ 38% :	\$45,600	Projected DB Accumulation :	\$856,400	Annual DB Benefit :	\$70,600
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OWNER-ONLY, W-2 INCOME FLUCTUATES	SPOUSE HAS SELF-EMPLOYMENT INCOME																							
<p>Objective: Reduce taxes, retain flexibility</p> <p>Profile: Engineer, age 48, W-2 income of \$185,000 this year, not sure it will always be this high.</p> <p>Solution: DB Plan for 14 years, optional 401(k)</p> <table border="0"> <thead> <tr> <th></th> <th>DB only</th> <th>DB + 401(k)</th> </tr> </thead> <tbody> <tr> <td>2016 Contribution :</td> <td>\$136,600</td> <td>\$165,700</td> </tr> <tr> <td>Tax Savings@ 38% :</td> <td>\$51,900</td> <td>\$62,900</td> </tr> <tr> <td>Projected DB Accumulation :</td> <td>\$2.24 Million</td> <td></td> </tr> <tr> <td>Annual DB Benefit :</td> <td>\$185,000</td> <td></td> </tr> </tbody> </table>		DB only	DB + 401(k)	2016 Contribution :	\$136,600	\$165,700	Tax Savings@ 38% :	\$51,900	\$62,900	Projected DB Accumulation :	\$2.24 Million		Annual DB Benefit :	\$185,000		<p>Objective: Invest earned income for retirement</p> <p>Profile: Wife, age 60, has been earning \$100,000 in book-keeping practice (after self-employment taxes) for the past several years. They don't need the money now & want to invest it.</p> <p>Solution: DB Plan for 5 years</p> <table border="0"> <tbody> <tr> <td>2016 Contribution :</td> <td>\$80,000</td> </tr> <tr> <td>Tax Savings@ 38% :</td> <td>\$30,400</td> </tr> <tr> <td>Projected DB Accumulation :</td> <td>\$457,000</td> </tr> <tr> <td>Annual DB Benefit :</td> <td>\$40,400</td> </tr> </tbody> </table>	2016 Contribution :	\$80,000	Tax Savings@ 38% :	\$30,400	Projected DB Accumulation :	\$457,000	Annual DB Benefit :	\$40,400
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MARRIED BUSINESS PARTNERS, NO EMPLOYEES	RETIRED CORPORATE EXECUTIVE, CONSULTING FOR A FEW YEARS																							
<p>Objective: Maximize retirement savings</p> <p>Profile: Husband & wife doctors, Adam age 60, Eva age 58, W-2 income for each is \$265,000, both plan to retire in 5 years.</p> <p>Solution: DB Plan with 5 years funding, optional 401(k)</p> <table border="0"> <thead> <tr> <th></th> <th>DB only</th> <th>DB + 401(k)</th> </tr> </thead> <tbody> <tr> <td>2016 Contribution :</td> <td>\$426,000</td> <td>\$505,800</td> </tr> <tr> <td>Tax Savings@ 38% :</td> <td>\$161,800</td> <td>\$192,200</td> </tr> <tr> <td>Projected DB Accumulation :</td> <td>\$2.43 Million</td> <td></td> </tr> <tr> <td>Annual DB Benefit :</td> <td>\$210,000</td> <td></td> </tr> </tbody> </table>		DB only	DB + 401(k)	2016 Contribution :	\$426,000	\$505,800	Tax Savings@ 38% :	\$161,800	\$192,200	Projected DB Accumulation :	\$2.43 Million		Annual DB Benefit :	\$210,000		<p>Objective: Reduce tax hit and delay Required Minimum Distributions (RMDs)</p> <p>Profile: Consultant, age 70, earns \$200,000 in W-2 income. She will need to begin taking distributions from her retirement plans this year, and wants to reduce her tax liability while she's working.</p> <p>Solution: DB Plan for 5 years with a 3-yr. cliff vesting schedule, No RMDs from this plan until 2018</p> <table border="0"> <tbody> <tr> <td>2016 Contribution :</td> <td>\$132,100</td> </tr> <tr> <td>Tax Savings@ 38% :</td> <td>\$50,100</td> </tr> <tr> <td>Projected DB Accumulation :</td> <td>\$750,000</td> </tr> </tbody> </table>	2016 Contribution :	\$132,100	Tax Savings@ 38% :	\$50,100	Projected DB Accumulation :	\$750,000		
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OnePersonPlus plans allow high income earners the largest IRS approved contribution to a qualified retirement plan while saving huge amounts in taxes. This unique program is especially attractive to clients age 40+ at higher income levels who are allowed to contribute a significant percentage of their W-2 income.

Eligibility Checklist

OnePersonPlus isn't right for everyone. Here's a quick test to find out if it's right for your client.

- ✓ Client is 40+ years of age
- ✓ Client typically earns at least \$100,000 annually in one of these ways:
 - Is a sole practitioner or owns business with family
 - Is self-employed as primary means of earning a living
 - Has a second occupation in which client works for himself or herself
 - Is considered an Independent Contractor rather than an employee
- ✓ Client wants to contribute more than \$50,000 annually to their retirement or a higher percent of income than allowed in a 401(k) or SEP
- ✓ Client expects to be able to make that contribution for at least three years

Maximum Annual Contribution Estimates by Owner Age and Income*

Age:	35	40	45	50	55	60	65
Income	Annual Contribution						
\$50,000	\$13,800	\$17,800	\$27,700	\$33,600	\$41,100	\$41,600	\$36,400
\$100,000	\$27,700	\$35,700	\$55,000	\$67,200	\$82,200	\$83,200	\$72,800
\$150,000	\$41,600	\$53,600	\$82,500	\$100,900	\$123,400	\$124,800	\$109,200
\$200,000	\$55,500	\$71,500	\$110,000	\$134,700	\$164,600	\$166,400	\$145,600
\$250,000	\$64,700	\$83,400	\$128,300	\$157,000	\$192,000	\$194,200	\$182,000

Good Prospects for DB Plan

Notes:

- Contributions may be increased by adding a 401(k) to a DB Plan
- For younger clients, contributions can be increased by funding the benefits over the first ten years

* This chart makes the following assumptions. If the actual situation differs, the contribution may be different.

Retirement Age: The later of age 62 or 5 years of participation in the plan

Business Start Date: January 1, 2016

Entity Type: Corporation; Contributions might differ for sole proprietors

Income Type: W-2

Typical Occupations

Attorney	Dentist	Farmer	Independent Insurance Agent	Real Estate Agent
Consultant	Engineer	Financial Planner	Manufacturer's Rep	Software Developer
Contractor	Entertainer	Independent Corporate Director	Physician	Writer