

# A Powerful Tax Strategy for High Income Earners

## A Retirement Plan with Huge Tax Savings

The small business defined benefit (DB) plan is an IRS-approved qualified retirement plan that allows independent professionals and consultants, individuals with self-employment income, and small business owners to make large annual tax-deferred contributions and accumulate as much as \$1-2.6 Million in just 5-10 years. The contributions are deductible and can potentially reduce income tax liability by \$40,000 or more annually.

## Is a Defined Benefit Plan Right for You?

If you're a sole practitioner or own a business with family, you may potentially qualify for a tax deduction of \$100,000 or more each year against your business income. The OnePersonPlus<sup>®</sup> DB plan is designed specifically to meet the tax savings and retirement income needs of people who are:

- 40+ years of age
- Interested in contributing more than \$50,000 annually to their retirement or a higher percent of compensation than allowed in a 401(k) or SEP
- Able to make that contribution for at least the next 3-5 years
- Earning at least \$100,000 annually

### Typical Plan Owners Include:

- Employees who also receive self-employment income from a side business
- Independent contractors, consultants, professionals and sales reps
- Owner-only or owner + spouse or family business
- Self-employed spouses of high income earners

### Advantages of OnePersonPlus Defined Benefit Plans:

- Highest allowable contributions to a qualified plan – \$100,000 or more
- Annual tax savings of \$40,000 or more potentially
- Investments grow tax-deferred building wealth faster
- Tax-free roll over to an IRA at retirement (or at plan termination)
- Simplified plan set-up
- You and your financial advisor select the investments

### Contributions:

- The contribution is calculated based on age, earned income and years of service
- Contributions must be made each year
- Contributions are due by the tax-filing deadline including extensions, but not later than eight and one-half months after the fiscal year end

## Defined Benefit Program Highlights

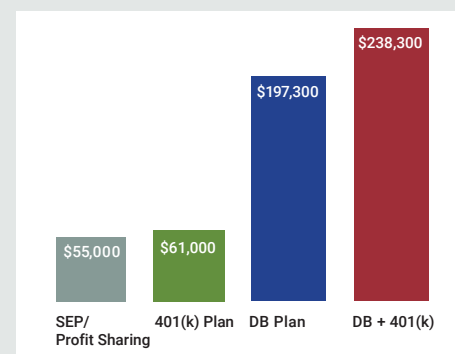


### Highest Contributions

Contribute 2-3 times the amount you might otherwise contribute to a SEP or 401(k). Your contribution maximum is based on your age, income and years to retirement

### Retirement Plan Contribution Limits\*

For a 52-year-old Earning \$300,000



\*2018 plan maximum contribution limits for a 52 year old, including "catch-up" contribution of \$6000 for 401(k)

### Typical Client Occupations

Attorney  
Construction Trades  
Consultant  
Dentist  
Engineer  
Entertainer  
Farmer  
Financial Advisor  
Graphic Designer  
Independent Corporate Director  
Physician  
Real Estate Agent  
Sales Rep  
Software Developer  
Writer

# Typical OnePersonPlus Plan Owners

## Maximizing Tax Savings

Nick is 52 years old and expects to have a W-2 income of at least \$300,000 from his law practice until he retires in ten years. By establishing a OnePersonPlus, he can contribute and take a tax deduction of \$197,300 – more than twice what he could have contributed to his SEP or 401(k). If Nick wants to maximize deductions this year, he can also set up a 401(k) and contribute an additional \$41,000 for total deductions of \$238,300 and tax savings of \$88,100 (37% combined federal and state marginal tax rate).

## Taking Advantage of a Part-Time Income Opportunity

Charles is a 56-year-old professor at the local university business school and plans to retire in six years. He consistently earns an additional \$150,000 each year consulting after paying his self-employment taxes. The university provides him with a 403(b) plan to which he's been contributing. Charles sets up a OnePersonPlus plan to reduce his taxable income and makes a tax-deductible contribution of \$120,000 based on his consulting income.

## Building Retirement Wealth with Spouse's Income

Teresa is 60 years old and is a sole proprietor earning \$100,000 each year after payment of self-employment taxes. She's married to a high-income executive, and they don't need Teresa's income to maintain their lifestyle. They both plan to retire in five years. They want to deduct as much as they can this year and add to their retirement wealth. Teresa can set up a OnePersonPlus plan and make a tax-deductible contribution of \$80,000 – saving 80% of her earnings for retirement.

## You Choose the Investments

Your assets may be invested in mutual funds, bonds, equities, annuities or other marketable securities that you and your advisor select. Investments with low volatility are generally recommended.

## Companies with Employees

Consider an OwnersPlus™ Retirement Program which combines a cash balance defined benefit plan with a safe harbor 401(k)/profit sharing plan. For more information, please contact our plan design specialists at 1-866-269-2709.

## Dedicated **DB**

Defined Benefit Services  
an Ascensus® company

Dedicated Defined Benefit Services supports high income business owners and their financial advisors nationwide in the sale and servicing of Defined Benefit (DB) retirement plans. Trusted by leading financial services companies such as, Transamerica, TD Ameritrade, Wells Fargo, and hundreds of independent RIAs, CPAs and brokers, Dedicated DB has opened over 3000 plans for 1-5 person firms. Clients are assigned a personal consultant who tailors the plan to meet their financial objectives.

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**OnePersonPlus**®  
Defined Benefit Plan

## Defined Benefit Program Highlights

### Getting Started is as Easy as 1-2-3

1. Decide on percent of annual income to contribute. We'll estimate your benefit and contribution.
2. Submit Plan Design Questionnaire with Plan Design and Document Preparation Fee.
3. Once you have received and signed your Adoption Agreement, you can open an investment account and select investments.

### Important Dates

OnePersonPlus plans must be opened by the end of your fiscal year, usually December 31, but earlier could be beneficial. Plans must be funded by the business tax filing deadline.

### Basic Fee Schedule

#### Plan Design and Document Preparation Fee (one-time)

**DB:** \$1,250 one person  
\$250 per additional participant

**401(k):** \$200

#### Annual Administration

**DB:** \$1,950 one person  
\$150 per additional participant

**401(k):** \$550

\$150 per additional participant

### Contact Your Financial Advisor or CPA or call:

**Phone: 1-866-269-2706**

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