

Phone Script: Double Tax Saving Success with Clients

Make these points in your own words when you call your client:

- **Introduce the call:** “I’m calling right now to make sure you’re doing all you can to reduce your tax bill – if not for 2005, at least for 2006. Are taxes an issue for you?”
- **Advise on contributions for 2005:** “To reduce 2005 taxes you should make the maximum contribution possible to your _____ (SEP/Simple/401k) before you file your taxes.”
 - If the client does not have a business retirement plan with you, determine what they are doing to save for retirement
- **Introduce 2006 tax savings:** “For 2006 and future years you may be able to reduce your taxes even more because of recent changes in the IRS tax laws.”
- **Provide specifics:** “Instead of your current (SEP, 401(k)/SIMPLE) plan that limits your contribution, *you could start a Solo db retirement plan that lets you contribute and deduct from income \$100,000 or more yearly.* The money goes to your future retirement and reduces your tax bill each year.”
- **Multiple Investment Options:** “A nice thing about this kind of plan is that we have nearly complete discretion about the investments we use -- we would put the money into less volatile instruments so your contribution is similar year to year.”
- **Present a Proposal:** “I’ve taken the time to run some calculations to show what you could save. I only need to confirm a few things right now.

You were born in _____, right?

Your business still has fewer than 5 employees? ____ Yes ____ No

About how much do you expect to earn from your business this year?” \$ _____

Set-up a Meeting: “I’ll show you the maximum you would be able to contribute to the plan – *possibly \$100,000 or more* - and how much that could mean in tax savings and increased retirement wealth over the years. Let’s set up a time now for me to show you a sample proposal and plan comparisons.”

Prospect Notes
Name:
Business:
Phone Number:
Email Address:
Notes:
Follow up:

Overcoming Objections

Small business defined benefit plans are still unknown to most investors. Here are a few common reactions. For more detailed questions, see the FAQs at: www.solodb.com/hartford/faqs.html

1. I don't have the money to put away \$100,000 this year.

Answer: This plan makes sense if you want to put in more than \$50,000. You wouldn't actually have to contribute any significant amount to the plan until you file your 2006 taxes, about a year from now.

2. I may have the money this year, but I'm not sure I'll have it next year or the year after.

Answer: We can start the plan at a lower level, one you're confident that you can maintain. We can invest the difference in an after tax account and use it next year to fund the plan if your earned income level is maintained.

3. It sounds too good to be true. Is it legal? How does the plan work?

Answer: Yes, it's completely legal. This is an IRS approved retirement plan. I'll send along a detailed explanation of how everything works when I send the estimate of how much you could save in taxes.

Take advantage of the fact that taxes and tax savings are on your clients' minds right now. They're willing to listen to your story and motivated to save money. Get started today!