

▶ OWNER-ONLY BUSINESS

Objective: Maximum contribution and tax deduction

Profile: Independent consultant age 52, has W-2 income of \$300,000 and plans to retire at 62.

Solution: Defined Benefit (DB) Plan for 10 years and a 401(k)

	DB only	DB + 401(k)
2012 Contribution :	\$161,700	\$199,200
Tax Savings@ 38% :	\$66,400	\$75,600
Projected DB Accumulation :	\$2.42 Million	
Annual DB Benefit :	\$200,000	

▶ EMPLOYEE WITH SIDE-INCOME

Objective: Reduce taxes on side income

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.

Solution: DB Plan for 6 years for side income

2012 Contribution :	\$120,000
Tax Savings@ 38% :	\$45,600
Projected DB Accumulation :	\$885,900
Annual DB Benefit :	\$73,000

▶ OWNER-ONLY, W-2 INCOME FLUCTUATES

Objective: Reduce taxes, retain flexibility

Profile: Engineer, age 48, W-2 income of \$135,000 this year, not sure it will always be this high.

Solution: DB Plan for 14 years, optional 401(k)

	DB only	DB + 401(k)
2012 Contribution :	\$63,900	\$89,000
Tax Savings@ 38% :	\$24,200	\$33,800
Projected DB Accumulation :	\$1.63 Million	
Annual DB Benefit :	\$135,000	

▶ SPOUSE HAS SELF-EMPLOYMENT INCOME

Objective: Invest earned income for retirement

Profile: Wife, age 60, has been earning \$100,000 in bookkeeping practice (after self-employment taxes) for the past several years. They don't need the money now & want to invest it.

Solution: DB Plan for 5 years

2012 Contribution :	\$80,000
Tax Savings@ 38% :	\$30,400
Projected DB Accumulation :	\$464,400
Annual DB Benefit :	\$41,000

▶ MARRIED BUSINESS PARTNERS, NO EMPLOYEES

Objective: Maximize retirement savings

Profile: Husband & wife doctors, Adam age 60, Eva age 58, W-2 income for each is \$250,000, both plan to retire in 5 years.

Solution: DB Plan with 5 years funding, optional 401(k)

	DB only	DB + 401(k)
2012 Contribution :	\$399,800	\$474,800
Tax Savings@ 38% :	\$151,900	\$180,400
Projected DB Accumulation :	\$2.31 Million	
Annual DB Benefit :	\$200,000	

▶ SMALL BUSINESS WITH HIGH EARNING OWNER, 1- 4 YOUNGER, LOWER PAID EMPLOYEES

Objective: Reach retirement savings goal faster, & provide employee benefit

Profile: Dentist, age 55, plans to retire at 62, W-2 income of \$400,000. Three employees, age 28-40, earn \$35,000-\$50,000

Solution: DB Plan for 7 years for dentist & employees

	Owner	Employees
2012 Contribution :	\$188,200	\$28,600
Tax Savings@ 38% :	\$82,300	
Projected DB Accumulation :	\$1.69 Million	
Annual DB Benefit :	\$140,000	

OnePersonPlus® Defined Benefit Plan



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:
 - ▶ Owns a business with 5 or fewer permanent employees, including the owner
 - ▶ 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	\$13,200	\$17,800	\$28,500	\$36,600	\$46,800	\$48,700	\$42,600
\$100,000	\$26,400	\$35,700	\$57,100	\$73,200	\$93,700	\$97,400	\$85,200
\$150,000	\$39,700	\$53,600	\$85,700	\$109,800	\$140,600	\$146,200	\$127,800
\$200,000	\$52,900	\$71,500	\$114,300	\$146,400	\$187,500	\$194,900	\$170,500
\$250,000	\$52,900	\$71,500	\$114,300	\$146,400	\$187,500	\$194,900	\$213,100

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, 2012

Entity Type: Corporation; Contributions might differ for sole proprietors

Income Type: W-2

Typical Occupations

Architect	Contractor	Entertainer	Independent Insurance Agent	Physician
Attorney	Dentist	Financial Planner	Manufacturer's Rep	Real Estate Agent
Consultant	Entrepreneur	Independent Corporate Director	Mortgage Broker	Software Developer