

▶ OWNER-ONLY BUSINESS

Objective: Maximum contribution and tax deduction

Profile: Independent consultant age 52, W-2 income of \$300,000, retirement age: 62

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

	DB only	DB + 401(k)
2011 Contribution :	\$147,800	\$184,500
Tax Savings@ 38% :	\$56,100	\$70,100
Projected DB Accumulation :	\$2.36 Million	
Annual DB Benefit :	\$195,000	

▶ EMPLOYEE WITH SIDE-INCOME

Objective: Reduce taxes on side income

Profile: Professor, age 56, also has sole proprietor income for the last several years from consulting, board fees, speeches, of \$150,000 (after paying self-employment taxes); retirement age: 62

Solution: DB Plan for 6 years for side income

2011 Contribution :	\$120,000
Tax Savings@ 38% :	\$45,600
Projected DB Accumulation :	\$918,000
Annual DB Benefit :	\$75,700

▶ 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)
2011 Contribution :	\$58,300	\$82,900
Tax Savings@ 38% :	\$22,100	\$31,500
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

2011 Contribution :	\$80,000
Tax Savings@ 38% :	\$30,400
Projected DB Accumulation :	\$481,900
Annual DB Benefit :	\$42,600

▶ 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 \$245,000, both plan to retire in 5 years.

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

	DB only	DB + 401(k)
2011 Contribution :	\$374,800	\$448,200
Tax Savings@ 38% :	\$142,400	\$170,300
Projected DB Accumulation :	\$2.26 Million	
Annual DB Benefit :	\$195,000	

▶ 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
2011 Contribution :	\$175,200	\$26,900
Tax Savings@ 38% :	\$66,500	
Projected DB Accumulation :	\$1.65 Million	
Annual DB Benefit :	\$136,500	

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	\$5,300	\$8,700	\$15,000	\$28,200	\$44,900	\$46,900	\$41,000
\$100,000	\$10,700	\$17,400	\$30,000	\$56,400	\$89,800	\$93,800	\$82,100
\$150,000	\$16,100	\$26,200	\$45,000	\$84,600	\$134,700	\$140,800	\$123,200
\$200,000	\$20,900	\$34,000	\$58,500	\$110,000	\$175,200	\$183,000	\$164,200
\$250,000	\$20,900	\$34,000	\$58,500	\$110,000	\$175,200	\$183,000	\$201,200

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, 2011

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