

▶ 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)
2010 Contribution :	\$138,500	\$175,200
Tax Savings@ 38% :	\$52,600	\$66,500
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

2010 Contribution :	\$120,000
Tax Savings@ 38% :	\$45,600
Projected DB Accumulation :	\$984,100
Annual DB Benefit :	\$81,200

▶ 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)
2010 Contribution :	\$52,900	\$77,500
Tax Savings@ 38% :	\$20,100	\$29,400
Projected DB Accumulation :	\$1.64 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

2010 Contribution :	\$80,000
Tax Savings@ 38% :	\$30,400
Projected DB Accumulation :	\$513,600
Annual DB Benefit :	\$45,400

▶ 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)
2010 Contribution :	\$365,300	\$438,700
Tax Savings@ 38% :	\$138,800	\$166,700
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 \$35-50,000

Solution: DB Plan for 7 years for dentist & employees

	Owner	Employees
2010 Contribution :	\$168,000	\$25,200
Tax Savings@ 38% :	\$63,800	
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 45-70 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 45 -70 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	\$4,400	\$7,400	\$13,300	\$26,000	\$43,100	\$45,700	\$40,000
\$100,000	\$8,800	\$14,900	\$26,600	\$52,000	\$86,200	\$91,500	\$80,000
\$150,000	\$13,200	\$22,300	\$39,900	\$78,000	\$129,300	\$137,200	\$120,000
\$200,000	\$17,100	\$29,000	\$51,900	\$101,500	\$168,000	\$178,400	\$160,000
\$250,000	\$17,100	\$29,000	\$51,900	\$101,500	\$168,000	\$178,400	\$196,100

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, 2010

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