



## United Retirement Plan Consultants

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# Maximize your retirement plan in 2017

Your company's retirement plan may be satisfactory—but is satisfactory sufficient? Let URPC help determine if a safe harbor 401(k) plan or a new comparability profit sharing allocation is right for you.

When owners or key executives are limited in their deferral by the level of other employees' participation, a safe harbor 401(k) plan may provide additional savings opportunity since it doesn't require ADP or top heavy testing when a minimum contribution is made.

When the company makes employee contributions, owners may not be benefiting from the employer contribution as much as possible. A new comparability profit sharing allocation can provide higher contributions for a targeted group of key employees, while minimizing employee contribution costs.

Employee Details			Profit Sharing Only			401(k) with Employer Contribution <sup>1</sup>		
Employee	Age	Annual salary	Traditional	Integrated	New comparability	401(k) SH match	401(k) SH new comp	Simple IRA
Owner 1	55	270,000	54,000	54,000	54,000	34,800 <sup>2</sup>	60,000	23,600
Spouse 1	55	25,000	5,000	4,082	5,000	25,000 <sup>2</sup>	25,000	16,250
	<b>Subtotal</b>	<b>295,000</b>	<b>59,000</b>	<b>58,082</b>	<b>59,000</b>	<b>59,600</b>	<b>85,000</b>	<b>39,850</b>
Employee 1	35	40,000	8,000	6,556	2,000	1,600	1,818	1,200
Employee 2	30	35,000	7,000	5,715	1,750	1,400	1,591	1,050
Employee 3	27	30,000	6,000	4,898	1,500	1,200	1,363	900
Employee 4	25	27,000	5,400	4,409	1,350	1,080	1,227	810
	<b>Subtotal</b>	<b>132,000</b>	<b>26,400</b>	<b>21,578</b>	<b>6,600</b>	<b>5,280</b>	<b>5,999</b>	<b>3,960</b>
<b>Total employer cost:</b>			<b>85,400</b>	<b>79,660</b>	<b>65,600</b>	<b>65,080</b>	<b>90,999</b>	<b>43,810</b>
Cost of non-owners			26,400	21,578	6,600	5,280	5,999	3,960
<b>Benefit to owners</b>			<b>59,000</b>	<b>58,082</b>	<b>59,000</b>	<b>59,800</b>	<b>85,000</b>	<b>39,850</b>
Owners % of total:			69%	73%	90%	92%	93%	91%

These are general illustrations and are not intended for any specific client use. No decision should be made without consultation and a customized illustration.

<sup>1</sup> 401(k) Assumptions: Employees defer 5%; allocations for employees do not include 401(k).

<sup>2</sup> Allocations for Owner 1 and Spouse 1 include 401(k) deferrals.