

## IT'S NOT TOO LATE!

Most people have heard about or are participating in popular retirement savings plans such as 401(k) plans, profit sharing plans, keogh plans, SIMPLE plans, SEPs, and IRAs. \$62,000 is the maximum individual annual pre-tax contribution for year 2019 under the best of these popular plans.

For an owner, partner, or professional who is age 52, \$62,000 annual pre-tax contributions for 10 years with 5.5% annual tax-deferred investment earnings will grow to \$798,000 by age 62. This accumulation will provide an annual lifetime taxable pension of only \$62,000 per year, which is very inadequate for a person with an above average standard of living.

A defined benefit pension plan can help an owner, partner, or professional accumulate substantially more retirement savings. \$225,000 (yes, \$225,000) is the maximum annual pre-tax contribution for year 2019 under a defined benefit pension plan for a person who is age 52.

\$225,000 annual pre-tax contributions for 10 years from age 52 to age 62 with 5.5% annual tax-deferred investment earnings will grow to \$2,888,000 by age 62. This accumulation will provide an annual lifetime taxable pension of \$225,000 per year, which is a much better result for a person with an above average standard of living.

With our actuarial credentials and more than 40 years of experience, we have designed defined benefit pension plans and other retirement plans to fit the pre-tax savings capabilities and retirement needs of owners, partners, and professionals. There are some practical and legal considerations, but our plan designs have a perfect (100%) IRS approval rate. We do not sell investments, mutual funds, or insurance. This independence allows us to give unbiased recommendations.

If you have only modest current retirement savings, it's not too late! Contact us for more details.