

THE POWER OF A DEFINED BENEFIT PLAN

A TAILORED RETIREMENT SAVINGS STRATEGY WITH BIG TAX BENEFITS



For professionals like business owners, consultants, independent contractors, and others in high-income roles, securing a comfortable financial future while minimizing tax liabilities is crucial. Enter the Defined Benefit (DB) Plan.

DEFINED BENEFIT PLAN AT GLANCE

A Defined Benefit (DB) Plan is an IRS-approved retirement savings strategy ideal for high-income business owners, consultants, and independent contractors. It promises a specific retirement benefit based on factors like income, age, and years of service, offering substantial tax benefits and stability in retirement income.

WHO'S A GOOD FIT FOR A DEFINED BENEFIT PLAN?

- > Ideal for high-income small business owners or self-employed individuals with consistent income.
- > Requires a commitment to the plan for at least three years with regular contributions.
- > Any high-income earner who wants to ramp up retirement savings with significant tax benefits.

KEY ADVANTAGES OF A DEFINED BENEFIT PLAN

- > **Substantial Tax Savings:** Contributions are tax-deductible. For example, investors can save up to 37% on contributions each year (from federal income tax), plus receive additional state income tax deduction where applicable.
- > **Flexibility in Contributions:** Annual contributions can be adjusted based on business circumstances, ensuring adaptability and optimal tax efficiency.
- > **Control Over Investments:** Clients retain control over investment choices within the DB Plan, allowing for diversification and professional management to balance growth and security.
- > **Integration with 401(k):** Can be combined with a 401(k) for enhanced retirement savings. During lower profit years, focus on funding the DB Plan while pausing 401(k) contributions, maximizing tax benefits.
- > **Retirement Security:** Upon retirement, receive a lump sum that can be rolled into an IRA for continued tax-deferred growth or annuitized for a steady income stream, providing stability regardless of market conditions.

About Edge Financial Advisors: A registered investment advisor dedicated to helping clients achieve their life goals through strategic financial planning and retirement solutions. Connect with DB Plan specialists Ed Meek and James Alexander to accelerate the retirement savings journey.

EDGE FINANCIAL
ADVISORS



ED MEEK



JAMES ALEXANDER

Guidance in DB Plans: Partner with Edge Financial Advisors to receive comprehensive support in setting up, managing, and optimizing DB Plans, ensuring tailored solutions to accelerate your clients' retirement savings.

Learn More: Schedule a consultation with James Alexander via **Calendly**.

