

Short Horizon, Massive Deduction

2021 Illustration Detail



Participant	Group	Near Age	Plan Comp	401(k) Deferral	401(k) Match	Safe Harbor Non-Elective	Add'l Profit Sharing	Defined Bft Allocation	Total Employer Contribution	Total Benefit Amount	Total Benefit Allocation
Owners											
Owner 1	1	66	\$290,000.00	\$26,000.00	\$0.00	\$0.00	\$17,400.00	\$447,872.68	\$465,272.68	\$491,272.68	52.8%
Owner 2	1	64	\$100,000.00	\$26,000.00	\$0.00	\$0.00	\$6,000.00	\$407,127.32	\$413,127.32	\$439,127.32	47.2%
Subtotal Owners			\$390,000.00	\$52,000.00	\$0.00	\$0.00	\$23,400.00	\$855,000.00	\$878,400.00	\$930,400.00	100.0%
Non-Owner HCEs											
Subtotal Non-Owner HCEs			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
Employees											
Subtotal Employees			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0%
TOTAL			\$390,000.00	\$52,000.00	\$0.00	\$0.00	\$23,400.00	\$855,000.00	\$878,400.00	\$930,400.00	100.0%

2021 Illustration Summary

Item	Value
1) Owner Benefits	\$930,400
2) Employer Paid Employee Benefits	\$0
3) Total Employer Deduction (Item 1 + Item 2)	\$930,400
4) Employee Paid Benefits	\$0
5) Total Benefits (Item 3 + Item 4)	\$930,400
6) Owner Paid Allocation (Item 1 / Item 3)	100.0%
7) Illustrative Tax Savings *	\$372,160
8) NET ILLUSTRATIVE TAX SAVINGS **	\$372,160

* Illustrative combined tax rate of 40%. Saber Pension does not provide tax advice. Consult with your tax professional for additional information.

** Illustrative tax savings less employee benefits paid by the employer (Item 7 - Item 2).

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2021 Data



Participant	Owner	HCE	Key	DOB	DOH	DOP	DOT	2021 Plan Comp	2020 Plan Comp	2019 Plan Comp	2018 Plan Comp
Owners											
Owner 1	Y	Y	Y	1/1/1956	1/1/2016	1/1/2021	N/A	\$290,000.00	\$285,000.00	\$280,000.00	\$275,000.00
Owner 2	Y	Y	Y	1/1/1958	1/1/2016	1/1/2021	N/A	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
Subtotal Owners								\$390,000.00	\$385,000.00	\$380,000.00	\$375,000.00
Non-Owner HCEs											
Subtotal Non-Owner HCEs								\$0.00	\$0.00	\$0.00	\$0.00
Employees											
Subtotal Employees								\$0.00	\$0.00	\$0.00	\$0.00
TOTAL								\$390,000.00	\$385,000.00	\$380,000.00	\$375,000.00

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Plan Provisions



General Provisions

Plan Effective Date:	January 1, 2021
Past Service Date:	January 1, 2016
Eligibility:	21 & 1
Vesting:	6-Yr Graded
Normal Retirement:	65 and 5 Part.
Normal Form:	Life Only
QJSA:	J&S 50%
Actuarial Equivalence	
Int. Rate:	5.00%
Pre-Ret. Mort.:	NoMort
Post-Ret. Mort.:	2021AMT
417(e) Look Back:	5 month(s)

Defined Benefit Plan

Avg Period	
Avg. Years:	3 Years
Total Years:	99 Years
Multiplier	
Group 1:	10.00% (10 Yr Cap)
Group 2:	10.00% (10 Yr Cap)

Cash Balance Plan

Int. Credit. Rate:	
Rate:	N/A
Timing:	N/A
Pay Credits	
Group 1:	N/A

401(k) Profit Sharing Plan

Safe Harbor	
Contribution:	Non-Elective
Coverage:	HCEs Excluded
Allocation	
Group 1:	6.00% of Pay
Group 2:	6.00% of Pay

Assumptions and Methods

Funding

Pre-ret. Decrements:	None
Post-ret. Decrements	
Mortality:	Combined Tables
Retirement:	Normal Retirement
Payment Form:	Lump Sum
Segment Look Back:	4 month(s)
Asset Method:	Market

Testing

Testing Period:	Annual
Testing Basis:	Benefits
Testing Age:	65
Grouping:	No
Permit. Disp.:	No
Pay Average:	Current
Testing Mortality:	UP84(0)
Testing Interest:	8.500%