

# Young Owner, Large Tax Savings

## 2026 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
<b>Owners</b>											
Owner	1	38	\$360,000.00	\$24,500.00	\$0.00	\$0.00	\$21,600.00	\$99,512.84	\$121,112.84	\$145,612.84	96.3%
<b>Subtotal Owners</b>			<b>\$360,000.00</b>	<b>\$24,500.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$21,600.00</b>	<b>\$99,512.84</b>	<b>\$121,112.84</b>	<b>\$145,612.84</b>	<b>96.3%</b>
<b>Non-Owner HCEs</b>											
<b>Subtotal Non-Owner HCEs</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>Employees</b>											
EE 1	2	28	\$20,000.00	\$0.00	\$0.00	\$600.00	\$1,650.00	\$210.66	\$2,460.66	\$2,460.66	1.6%
EE 2	2	29	\$25,000.00	\$0.00	\$0.00	\$750.00	\$2,062.50	\$276.50	\$3,089.00	\$3,089.00	2.0%
<b>Subtotal Employees</b>			<b>\$45,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,350.00</b>	<b>\$3,712.50</b>	<b>\$487.16</b>	<b>\$5,549.66</b>	<b>\$5,549.66</b>	<b>3.7%</b>
<b>TOTAL</b>			<b>\$405,000.00</b>	<b>\$24,500.00</b>	<b>\$0.00</b>	<b>\$1,350.00</b>	<b>\$25,312.50</b>	<b>\$100,000.00</b>	<b>\$126,662.50</b>	<b>\$151,162.50</b>	<b>100.0%</b>

## 2026 Illustration Summary

Item	Value
1) Owner Benefits	\$145,613
2) Employer Paid Employee Benefits	\$5,550
3) Total Employer Deduction (Item 1 + Item 2)	\$151,163
4) Employee Paid Benefits	\$0
5) Total Benefits (Item 3 + Item 4)	\$151,163
<b>6) Owner Paid Allocation (Item 1 / Item 3)</b>	<b>96.3%</b>
<b>7) Illustrative Tax Savings *</b>	<b>\$60,465</b>
<b>8) NET ILLUSTRATIVE TAX SAVINGS **</b>	<b>\$54,915</b>

\* 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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2026 Data



Participant	Owner	HCE	Key	DOB	DOH	DOP	DOT	2026 Plan Comp	2025 Plan Comp	2024 Plan Comp	2023 Plan Comp
<b>Owners</b>											
Owner	Y	Y	Y	7/1/1988	7/1/2019	1/1/2026	N/A	\$360,000.00	\$350,000.00	\$345,000.00	\$330,000.00
<b>Subtotal Owners</b>								<b>\$360,000.00</b>	<b>\$350,000.00</b>	<b>\$345,000.00</b>	<b>\$330,000.00</b>
<b>Non-Owner HCEs</b>											
<b>Subtotal Non-Owner HCEs</b>								<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Employees</b>											
EE 1	N	N	N	7/1/1998	1/1/2025	1/1/2026	N/A	\$20,000.00			
EE 2	N	N	N	7/1/1997	1/1/2025	1/1/2026	N/A	\$25,000.00			
<b>Subtotal Employees</b>								<b>\$45,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL</b>								<b>\$405,000.00</b>	<b>\$350,000.00</b>	<b>\$345,000.00</b>	<b>\$330,000.00</b>

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## Plan Provisions



General Provisions		Defined Benefit Plan		Cash Balance Plan		401(k) Profit Sharing Plan	
Plan Effective Date:	January 1, 2026	Avg Period		Int. Credit. Rate:		Safe Harbor	
Past Service Date:	January 1, 2026	Avg. Years:	3 Years	Rate:	N/A	Contribution:	Non-Elective
Eligibility:	21 & 1	Total Years:	99 Years	Timing:	N/A	Coverage:	HCEs Excluded
Vesting:	6-Yr Graded	Multiplier		Pay Credits		Allocation	
Normal Retirement:	62 and 5 Part.	Group 1:	10.00% (10 Yr Cap)	Group 1:	N/A	Group 1:	6.00% of Pay
Normal Form:	Life Only	Group 2:	0.50% (10 Yr Cap)			Group 2:	11.25% of Pay
QJSA:	J&S 50%						
Actuarial Equivalence							
Int. Rate:	5.00%						
Pre-Ret. Mort.:	NoMort						
Post-Ret. Mort.:	2026AMT						
417(e) Look Back:	5 month(s)						

## Assumptions and Methods

Funding		Testing	
Pre-ret. Decrement:	None	Testing Period:	Annual
Post-ret. Decrement		Testing Basis:	Benefits
Mortality:	Combined Tables	Testing Age:	65
Retirement:	Normal Retirement	Grouping:	No
Payment Form:	Lump Sum	Permit. Disp.:	No
Segment Look Back:	4 month(s)	Pay Average:	Current
Asset Method:	Market	Testing Mortality:	UP84(0)
		Testing Interest:	8.500%