

Young Owner, Large Tax Savings

2023 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	38	\$330,000.00	\$22,500.00	\$0.00	\$0.00	\$9,900.00	\$139,253.98	\$149,153.98	\$171,653.98	97.0%
Subtotal Owners			\$330,000.00	\$22,500.00	\$0.00	\$0.00	\$9,900.00	\$139,253.98	\$149,153.98	\$171,653.98	97.0%
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											
EE 1	2	28	\$20,000.00	\$0.00	\$0.00	\$600.00	\$1,400.00	\$322.60	\$2,322.60	\$2,322.60	1.3%
EE 2	2	29	\$25,000.00	\$0.00	\$0.00	\$750.00	\$1,750.00	\$423.42	\$2,923.42	\$2,923.42	1.7%
Subtotal Employees			\$45,000.00	\$0.00	\$0.00	\$1,350.00	\$3,150.00	\$746.02	\$5,246.02	\$5,246.02	3.0%
TOTAL			\$375,000.00	\$22,500.00	\$0.00	\$1,350.00	\$13,050.00	\$140,000.00	\$154,400.00	\$176,900.00	100.0%

2023 Illustration Summary

Item	Value
1) Owner Benefits	\$171,654
2) Employer Paid Employee Benefits	\$5,246
3) Total Employer Deduction (Item 1 + Item 2)	\$176,900
4) Employee Paid Benefits	\$0
5) Total Benefits (Item 3 + Item 4)	\$176,900
6) Owner Paid Allocation (Item 1 / Item 3)	97.0%
7) Illustrative Tax Savings *	\$70,760
8) NET ILLUSTRATIVE TAX SAVINGS **	\$65,514

* 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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2023 Data



Participant	Owner	HCE	Key	DOB	DOH	DOP	DOT	2023 Plan Comp	2022 Plan Comp	2021 Plan Comp	2020 Plan Comp
Owners											
Owner	Y	Y	Y	7/1/1985	7/1/2016	1/1/2023	N/A	\$330,000.00	\$305,000.00	\$290,000.00	\$285,000.00
Subtotal Owners								\$330,000.00	\$305,000.00	\$290,000.00	\$285,000.00
Non-Owner HCEs											
Subtotal Non-Owner HCEs								\$0.00	\$0.00	\$0.00	\$0.00
Employees											
EE 1	N	N	N	7/1/1995	1/1/2022	1/1/2023	N/A	\$20,000.00			
EE 2	N	N	N	7/1/1994	1/1/2022	1/1/2023	N/A	\$25,000.00			
Subtotal Employees								\$45,000.00	\$0.00	\$0.00	\$0.00
TOTAL								\$375,000.00	\$305,000.00	\$290,000.00	\$285,000.00

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Plan Provisions



General Provisions

Plan Effective Date: January 1, 2023
Past Service Date: January 1, 2023

Eligibility: 21 & 1
Vesting: 6-Yr Graded
Normal Retirement: 62 and 5 Part.

Normal Form: Life Only
QJSA: J&S 50%

Actuarial Equivalence

Int. Rate: 5.00%
Pre-Ret. Mort.: NoMort
Post-Ret. Mort.: 2023AMT
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: 0.50% (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: 3.00% of Pay
Group 2: 10.00% 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%