

Dear Business Owner,

NEW TAX DEDUCTIONS – Profit sharing plan rules have changed and now favor the business owner! Allocations are no longer limited to the same percentage of salary for all employees. You are now allowed to concentrate benefits on yourself and other key employees.

The ‘Cross Tested’ sample below compares the differences for the 2007 tax year.

<u>Age</u>	<u>Salary</u>	"Traditional" Profit Sharing <u>Allocation</u>	% of Salary	"Cross Tested" Profit Sharing <u>Allocation</u>	% of Salary
60	\$180,000	\$27,000	15%	\$45,000	25%
33	39,000	5,850	15%	1,950	5%
34	45,000	6,750	15%	2,250	5%
54	37,000	5,550	15%	1,850	5%
42	30,000	4,550	15%	1,500	5%
43	<u>29,000</u>	<u>4,350</u>	15%	<u>1,450</u>	5%
	\$360,000	\$54,000		\$54,000	
Owner's share:		(50%)		(83%)	

For the same contribution, the above owner almost doubles his (or her) personal allocation! As a percentage of salary, this is **five times** the allocation of other employees.

Whether you have an existing qualified plan or want to explore the feasibility of a new one, I can help. My organization works with some of the America's top retirement plan experts and we have helped hundreds of business owners save taxes and accumulate additional wealth. I will call you soon to see if I can be of service to you.

Sincerely,

**** Ask us how to receive tax free retirement income**

**** Ask us how to inflation proof your retirement income benefits**

*This is not intended to be tax or legal advice. It is simply a sample of what can occur in one specific circumstance. Please consult your tax advisor or attorney for advice in your specific situation.

[Put this on your letter head, call us if you want a word document copy of this letter]