

# THE DOPKINS CASH BALANCE SOLUTION

STRATEGIES TO LOWER TAXES AND SAVE MORE FOR RETIREMENT

In certain circumstances, individual taxpayers may need options to increase their pre-tax retirement contributions beyond IRS limits. For example:

- Are you a business owner or partner who is looking for larger tax deductions and accelerated retirement savings?
- Are existing 401(k) plan contribution limits of \$66,000 per year simply not enough savings based on 2024 IRS limits?

>> **A Cash Balance Plan allows for larger annual contributions, resulting in substantial tax savings.**

## WHAT IS A CASH BALANCE PLAN?

- A defined benefit plan that specifies both the contribution to be credited to each participant and the investment earnings to be credited based on those contributions.
- Each participant has an account that resembles those in a 401(k) or profit sharing plan.
- Those accounts are maintained by the plan actuary, who generates annual participant statements.

## PARTICIPANT BENEFITS

- Participant accounts grow annually in two ways:
  1. Company contribution – a percentage of pay or a flat dollar amount. The amount is determined by a formula specified in the plan document.
  2. Annual interest credit.
- When a participant terminates their employment, they are eligible to receive the vested portion of their account balance.



Cash Balance contributions are age-dependent. The older the participant, the higher the amount that can be contributed. Reason being, these individuals have fewer years to save toward the approximate \$3.4 million lump sum that is allowed in a Cash Balance plan for 2024.

Subject to IRS limits, the actual contribution is determined by a formula specified in the plan document. It can be either a percentage of pay or a flat dollar amount.

### SAMPLE 2023 MAXIMUM OWNER-EMPLOYEE CONTRIBUTION:

AGE	MAXIMUM ANNUAL CONTRIBUTION	TAX SAVINGS 45% RATE
35	\$89,000	\$40,050
40	\$114,000	\$51,300
45	\$146,000	\$65,700
50	\$188,000	\$84,600
55	\$241,000	\$108,450
60	\$309,000	\$139,050
62	\$341,000	\$153,450
65	\$321,000	\$144,450

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## THE PROCESS:

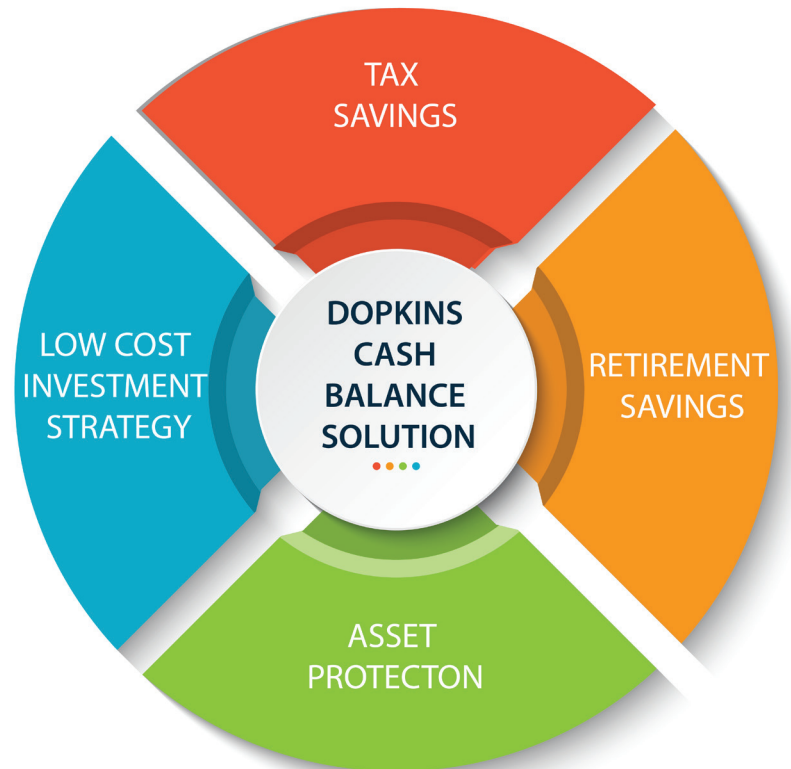
Combining professional knowledge in the areas of tax planning, investment management and actuarial valuation, the Dopkins Cash Balance Solution is a strategy for businesses looking to maximize their retirement savings with this type of plan design.

The Dopkins Cash Balance Solution is an evidence-based approach which enables investors to better articulate their objectives and helps them implement a strategy to meet their goals.

Our solution looks at the big picture to make sure that the facets of your company's retirement program are being addressed. From tax management to investment results, to fiduciary compliance and record keeping, our integrated program provides the technical expertise and careful planning necessary for successful implementation.

## OUR CLIENT SERVICE MODEL:

A 4-part plan to maximize retirement savings and minimize tax.



Disclosure: This presentation and its contents are for informational purposes only and should not be used as the basis for investment decision. Additional information and disclosure on Dopkins Wealth is available via our Form ADV which is available upon request or at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

FOR MORE INFORMATION ABOUT DOPKINS CASH BALANCE SOLUTION, PLEASE CONTACT:



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