

Combination of Defined Benefit Plan & Profit Sharing Plan

A Comparative Illustration

	<u>Age</u>	<u>Wages</u>	<u>2018 Contributions</u>		
			<u>SEP or Profit Sharing</u>	<u>Cross-Tested Profit Sharing</u>	<u>Cross-Tested Profit Sharing & Defined Benefit</u>
Dentist	45	\$275,000	\$55,000	\$55,000	\$162,000
Hygenist	50	50,000	10,000	2,500	2,500
Manager	45	45,000	9,000	2,300	4,000
Employee 3	35	25,000	5,000	1,300	1,300
Employee 4	25	45,000	9,000	2,300	2,900
Employee 5	20	12,000	2,400	600	600
Total		\$452,000	\$90,400	\$64,000	\$173,300
Owner's share		61%	61%	86%	93%