

**Combination of Defined Benefit Plan & Profit Sharing Plan**

A Comparative Illustration

	<u>Age</u>	<u>Wages</u>	<u>2024 Contributions</u>		
			<u>SEP or Profit Sharing</u>	<u>Cross-Tested Profit Sharing</u>	<u>Cross-Tested Profit Sharing &amp; Defined Benefit</u>
Owner	47	\$345,000	\$69,000	\$69,000	\$170,200
Employee 1	50	60,000	12,000	3,000	3,000
Employee 2	30	36,000	7,200	1,800	2,700
Employee 3	20	24,000	4,800	1,200	1,200
Total		\$465,000	\$93,000	\$75,000	\$177,100
Owner's share		74%	74%	92%	96%