

Potential Maximum 1st Year Contributions to a Defined Benefit Plan

The amounts below are *estimates* of the potentially large tax-deductible contributions available to high-income business owners starting a Defined Benefit plan during 2025.

Some of the considerations that will help determine whether a Defined Benefit plan makes sense are:

- Owner's level of W-2 income (or net earned income, if unincorporated)
- Age, length of service, and wages of any employees
- Anticipated contributions after the initial 2025 plan year
- Existence of any other retirement plans
- Ownership of any other businesses

<u>Age of Owner</u>	<u>Potential 2025 Contribution</u>
33	\$120,000
37	\$151,000
40	\$176,000
43	\$205,000
47	\$252,000
50	\$294,000
53	\$345,000
57	\$421,000
60	\$425,000
63	\$396,000
67	\$445,000
70	\$401,000