

January 28, 2025

DEFINED BENEFIT PLANS: LARGE DEDUCTIBLE CONTRIBUTIONS

Defined Benefit Plans help small business owners save aggressively for retirement by allowing them to make very high contributions — far more than 401(k), SIMPLE IRA, or SEP IRA. Plans can still be established for last year (2024) or for 2025.

Should you adopt a defined benefit plan?

Consider the following:

- Do you want to accumulate the maximum amount in the shortest time frame?
- Do you have the cash flow to fund mandatory annual contributions?
- Is your business covering just owners or are the employees significantly younger than the owner?

The business must be a sole-proprietorship, partnership, corporation, subchapter S or LLC.

How much can you contribute?

We can prepare a proposal to determine if a defined benefit plan is appropriate for you and your business and its maximum contributions. If you are interested, please complete our [Proposal Request Form](#), and return to Debbie Rath at drath@nhhicks.com.

Want to learn more about defined benefit plans?

On our website, you can find an overview of the different types of DB plans, the benefits of owner-only plans, a chart of estimated DB contributions and more if you click [here](#).

We are ready to help new and existing plans with:

- Proposals to illustrate potential plan designs,
- Plan check-ups as retirement plans need regular care, and
- Free consultations on retirement plan issues including correcting mistakes.

Please contact our marketing team if you have any questions or would like additional information.