

Retirement Plans:

Saving through an employer retirement plan is one of the easiest ways for employers and employees to save. Starting a retirement plan can be easier than many business owners realize and there are a number of retirement programs that provide tax advantages to both employers and employees.

Business Benefits

- Employer contributions are tax deductible.
- Contributions grow with compounding interest.
- Businesses may receive tax credits and other incentives for starting a plan.
- A retirement plan can attract and retain better employees.

Employee Benefits

- Tax on employee contributions is deferred until distributed.
- Investment gains in the plan are not taxed until distributed.
- Contributions can be made easily through payroll deductions.
- Saver's Credit is available. (10% to 50% max \$2,000)
- Flexible plan options are available.

Future Retirement Savings Value

Monthly Savings, 6%	5 Years	15 Years	20 Years
\$50	\$3,489	\$14,541	\$23,102
\$200	\$13,954	\$51,164	\$92,408
\$500	\$34,885	\$145,409	\$231,020

Do you realize that a \$50.00 per month savings equals \$1.64 per day before taxes! Just a small \$600.00 per year contribution to a qualified retirement account will save you \$126.00 in federal and state income taxes plus you will receive a tax savers credit of 10 to 50% of your contribution which means you can contribute \$600.00 to your retirement and with the tax credits and tax savings it actually only costs you \$174.00 which equates to \$0.48 cents after taxes. So for skipping one indulgence you could easily provide for your retirement.

As an employer you can see how combining and employer sponsored plan with individual savings CAN make a huge difference in your employees lives while that 50 cent an hour raise maybe bought lunch once a week.