



Secure Your Retirement Future

Cross-Tested 401(k):

A cross-tested 401K plan enables employers to define classes of employees and provide a specific percentage for profit-sharing contributions for each class. This type of plan allows businesses to allocate a higher contribution rate to owners and other key personnel.

Age	Salary	401(k)	3% Safe Harbor Nonelective	10.33% vs. 1.44% Profit Sharing Contribution	Total
55	345,000	30,500	10,350	35,650	76,500
48	50,000	Up to 23,000	1,500	722	2,222
48	50,000	Up to 23,000	1,500	722	2,222
34	50,000	Up to 23,000	1,500	722	2,222
34	50,000	Up to 23,000	1,500	722	2,222
24	50,000	Up to 23,000	1,500	722	2,222
24	50,000	Up to 23,000	1,500	722	2,222
	<u>300,000</u>		<u>9,000</u>	<u>4,333</u>	<u>13,333</u>
	<u>645,000</u>	<u>30,500</u>	<u>19,350</u>	<u>39,983</u>	<u>89,833</u>

Percent of company contribution going to owner =

77.53%