## 2010 ABC, INC. Profit Sharing Plan Proposal

	W/ Pension Plan	W/O Pension Plan
2010 S-Corp. Net Income (Assumed)	\$200,000	\$200,000
Profit Sharing Contribution	(\$81,250)	\$0
2010 S-Corp. Final Net Income (K-1):	\$118,750	\$200,000
2010 Personal Income (Owners):		1545
2010 S-Corp. K-1	\$118,750	\$200,000
Salary (Owners)	\$275,000	\$275,000
Personal Taxable Income (Owners)	\$393,750	\$475,000
2010 Personal Fed & State Tax Paid	\$175,000 v.s	\$215,000
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<b>Participant Name</b>	Age	W-2 Salary	Profit Sharing	Percentage %
Owner 1	60	\$245,000.00	\$49,000.00	60.31%
Owner 2	57	\$30,000.00	\$27,750.00	34.15%
Employee 1	30	\$35,000.00	\$1,750.00	2.15%
Employee 2	28	\$30,000.00	\$1,500.00	1.85%
Employee 3	25	\$25,000.00	\$1,250.00	1.54%
Total		\$365,000.00	\$81,250.00	100.00%

## Note:

- 1. Profit Sharing is contributed by Employer as a pension expense for the corporation and it's 100% tax deduction
- 2. The Total Tax Savings will be around \$40,000

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