



# EXPERIENCE HIGH-POWERED TAX SHIELDING

we don't do ordinary. **we defend the egg.**

## HOW WE CAN HELP YOU

Our successful small business owner clients crave premium and dynamic solutions to fortify and legally shield their income from taxation. RAI's plans are flexible, tailored, and unique, providing owners competitive benefits while keeping costs to a minimum. Our sophisticated and innovative retirement plan designs provide maximum tax deductions which protect and **defend the egg**. RAI can even administer alternative investments (private equity, real property, tax-deductible life insurance) inside a 401(k) plan to bolster savings and significantly reduce current and future tax burdens.



## THE POWER OF COMBINATION PLANS — COMBO-K SOLUTIONS

After staff costs, taxes are usually the largest expenditure for small business owners. RAI specializes in offering small profitable business owners highly **sophisticated** combination plan designs, or Combo-Ks, to help owners significantly reduce their taxes while hyper-funding their retirement plans.

This **unique** hybrid structure, which layers 401(k) Profit Sharing Plans with a Cash Balance Hybrid Defined Benefit Plan, lets each owner, depending on his or her age and compensation, have the ability to save \$100,000-\$400,000 per year in tax-deferred retirement savings.

AGE	401(K)	PROFIT SHARING	CASH BALANCE	TOTAL SAVINGS
35	\$18,000	\$35,000	\$74,400	<b>\$127,400</b>
40	\$18,000	\$35,000	\$97,400	<b>\$150,400</b>
45	\$18,000	\$35,000	\$133,100	<b>\$186,100</b>
50	\$24,000	\$35,000	\$181,000	<b>\$240,000</b>
55	\$24,000	\$35,000	\$251,800	<b>\$310,800</b>
60	\$24,000	\$35,000	\$315,000	<b>\$374,000</b>
65	\$24,000	\$35,000	\$365,000	<b>\$424,000</b>

## TAX RATES ARE UP AND LIKELY TO STAY HIGH

In California, if combined household income is greater than \$500,000, the total tax brackets equal nearly 50% (49.90% – 10.30% state and 39.60% federal), and the majority of your itemized tax deductions have been phased out.

A properly designed, qualified retirement plan can help protect you from taxes and shield your income and retirement wealth. Qualified retirement plan contributions are a dollar-for-dollar tax deduction to both regular income tax and adjusted gross income; this can significantly decrease your taxable income and lower your tax brackets.

ESTIMATED TAX ANALYSIS	NO PLAN	WITH PLAN
Gross Income	\$600,000	\$600,000
Retirement Plan Contributions	– \$0	\$200,000
Taxable Income	= \$600,000	\$400,000
State and Fed Tax Rate	50.0%	42.3%
Estimated Fed Tax Liability	= \$300,000	\$169,200
Total Tax Savings		\$130,800

Cash Balance contributions reduce both taxable income and adjusted gross income, helping small business owners accelerate retirement savings and reduce tax liability.

## MORE TAX SHIELDING VEHICLES TO HELP SECURE YOUR FUTURE

A **ROTH 401(k)** plan provides a great vehicle for many business owners looking to increase their retirement savings contributions while offsetting future tax liability. Unlike a ROTH IRA, which is unavailable to high-income business owners, a ROTH 401(k) does not have income restrictions.

ROTH 401(k) plans can be especially attractive to holders of private company stock, since owners can recognize appreciation of their private equity positions and then withdraw the appreciated positions completely tax-free at retirement age.

### Alternative Non-Standard Investments

RAI has the unique ability and technology to cater to venture capital, private equity, and hedge funds with alternative investments. These retirement plan vehicles provide opportunities in other start-up companies, real estate ventures, limited partnerships, and various non-standard investments.

**Build a Fortress To Protect Your Egg.**

Our clients don't want ordinary.

Powerful solutions to shield the egg.

Maximum tax savings.

Competitive recruitment and retention tools.