



The Retirement Plan Clarity Checklist for Small Business Owners & Self-Employed Professionals

This introductory slide sets the stage for the comprehensive retirement checklist for small business owners and self-employed professionals.

The Retirement Plan Clarity Checklist for Small Business Owners & Self-Employed Professionals

A comprehensive guide that helps business owners and self-employed professionals address the unique challenges they face in building a secure retirement.

RETIREMENT PLANS FOR A SMALL BUSINESS OWNER

SEP IRA

- ▷ A simplified plan where only employers contribute, ideal for businesses with few or no employees.

SIMPLE IRA

- ▷ A plan for businesses with fewer than 100 employees, requiring employer and employee contributions.

SOLO 401(K)

- ▷ Designed for self-employed individuals or small business owners with no employees, allowing high contribution limits.

DEFINED BENEFIT PLAN

- ▷ This provides a fixed, pre-determined retirement benefit suitable for businesses offering substantial retirement benefits.

PROFIT-SHARING PLAN

- ▷ A flexible option allowing employers to share profits with employees, with contributions made at the employer's discretion.

Introduction



Unique retirement planning challenges

Small business owners and self-employed professionals face different retirement planning needs compared to those with traditional employer-sponsored plans.



Purpose of the checklist

The checklist aims to help small business owners and self-employed professionals identify and address gaps in their retirement planning to build a secure, work-optional lifestyle.



Benefits of the checklist

By completing the checklist, small business owners and self-employed professionals can take proactive steps to ensure a confident financial future, even without the traditional benefits of an employer-sponsored retirement plan.

This comprehensive retirement checklist provides small business owners and self-employed professionals with a valuable tool to evaluate and improve their retirement planning.

Income Replacement



Clear Retirement Income Target

Establish a clear target for the annual income needed to maintain the desired retirement lifestyle.



Additional Income Sources

Identify other predictable income sources, such as rental properties, annuities, or part-time business income, to complement Social Security and personal savings.



Social Security Optimization

Calculate the expected Social Security benefits and develop a strategy to optimize the claiming age.



Inflation Adjustment Plan

Implement a plan to adjust retirement income to account for the impact of inflation over time.

Business Transition Planning



Exit Plan for the Business

Develop a clear strategy for the business exit, whether through a sale, succession plan, or winding down the operations.



Contingency Plan

Create a backup plan in case the primary business exit strategy cannot be executed as planned.



Business Valuation

Determine the estimated value of the business and how it fits into the overall retirement funding plan.



Protect Key Business Value Drivers

Safeguard the critical elements of the business, such as intellectual property, client relationships, and operational systems, to preserve the business value.

Investment & Savings Strategy



Tax-Advantaged Retirement Plans

Consistently contributing to a tax-advantaged retirement plan, such as a Solo 401(k), SEP IRA, or Roth IRA, to maximize tax-deferred or tax-free growth.



Diversified Investments

Ensuring personal investments are diversified and aligned with the retirement timeline to balance risk and potential growth.



Advanced Strategies

Evaluating whether a Cash Balance Plan or other advanced retirement planning strategies are a good fit for the business owner's situation.



Investment Fees and Tax Efficiency

Reviewing investment fees and tax efficiency to optimize returns and minimize unnecessary costs.

Tax Planning



Tax-Efficient Strategies

Implement strategies to lower your current and future tax liability, such as taking advantage of deductions, credits, and tax-advantaged accounts.



Roth Conversions

Explore the potential benefits of Roth conversions, which can provide tax-free growth and withdrawals in retirement.



Business-Personal Coordination

Coordinate your tax planning between your business and personal finances to maximize efficiency and minimize your overall tax burden.



Tax Minimization on Retirement Income

Develop a plan to minimize taxes on your retirement income, such as strategizing Social Security distributions and managing required minimum distributions.

Healthcare & Long-Term Care



Pre-Medicare Coverage

Covers the importance of having a plan to cover healthcare expenses before becoming eligible for Medicare.



Long-Term Care Funding

Covers the evaluation and planning for long-term care funding, including insurance and self-funding strategies.



Medicare Options

Discusses understanding the various Medicare options and associated costs to ensure appropriate coverage in retirement.



Healthcare Inflation

Emphasizes the need to factor in healthcare inflation when planning for retirement income and expenses.

Estate & Asset Protection



Wills

Ensure your will is current and reflective of your wishes for the distribution of your assets after your passing.



Trusts

Consider establishing trusts to help manage and protect your assets, as well as facilitate tax-efficient wealth transfer to your heirs.



Beneficiary Designations

Review and update the beneficiary designations on your financial accounts, insurance policies, and other assets to ensure they align with your estate plan.



Tax-Efficient Wealth Transfer

Implement strategies to minimize the tax burden on the transfer of your wealth to your beneficiaries, such as through the use of trusts, gifting, and other tax-planning techniques.

Lifestyle & Vision



Defined Retirement Lifestyle

I've defined what I want my retirement lifestyle to look like, including leisure activities, hobbies, and passions.



Retirement Vision Alignment

I've discussed my retirement vision with my spouse/partner to ensure we are aligned on our shared goals and plans.



Retirement Lifestyle Planning

I've planned for potential unexpected expenses and caring for family members if necessary.



Retirement Plan Flexibility

I've built flexibility into my retirement plan to adapt as life changes and my needs or priorities shift over time.

SMALL BUSINESS RETIREMENT PLANS



What's Next?

Most business owners we meet are amazing at building income... but many have gaps in building retirement security. You've taken an important first step today—awareness. The next step: turning this checklist into a personalized, actionable Retirement Blueprint. At In The Money Retirement, we specialize in helping small business owners build retirement security outside the business, optimize tax efficiency now and in retirement, protect wealth for the next generation, and create work-optional lifestyles with confidence.

Call us today at 860-333-5131

Email us to get your free consultation

Email: m.lowe@inthemoneyretirement.com

The Retirement Plan Clarity Checklist for Small Business Owners & Self-Employed Professionals

Disclosures

The information presented in this Presentation is the opinion of the author and does not reflect the views of any other person or entity unless specified. The information provided is believed to be reliable and obtained from reliable sources, but no liability is accepted for inaccuracies. The information provided is for informational purposes and should not be construed as advice. Advisory services offered through In The Money Retirement, an investment adviser registered with the state of Connecticut.

The tax and estate planning information offered by the advisor is general in nature. It is provided for informational purposes only and should not be construed as legal or tax advice. Always consult an attorney or tax professional regarding your specific legal or tax situation.