

Case # 3: Business Owner (“The Happy Camper”)

Facts: 41 year old small business owner with an S-corp. structure. The company has 8-W-2 employees. There is a current Qualified Plan in place but it has been “frozen”. Owner is paying life insurance premiums out of pocket with after tax income in the amount of \$18,000, annually. The plan does have some assets from contributions in earlier years that can be used to enhance the current situation.

Problem: Wants more tax deductions. Currently has locked up assets in a plan that is not producing current benefits. Needs the life insurance but can’t afford the big premium in this economic cycle. Wants to keep coverage but lower the costs significantly. Has advice to drop what he has a buy new term insurance instead.

Outcome: By the use of advanced planning and available tactics within IRS Rules we were able to do the following for this client:

- Have his needed life insurance premium paid for in the plan. (Keeps entire death benefit amount)
- Created an immediate \$42,000 tax savings
- Applied a little known technique to create additional \$200,000 in tax deductions
- Produced an ongoing income stream of \$84,000 per year that is not subject to any self employment or payroll tax.
- Saved annual life insurance out of pocket cost of \$18,000.

Now you can see why we call him “The Happy Camper”

There is a way to find out what we can do for you. We need the facts of your situation. You can download the checklist and email contents as instructed in download. You will get a courteous prompt response.

[Second Opinion Checklist & Kit download.](#)