

How Can I Reduce My Taxes?

Retirement plans are one of the best ways an individual and/or business can reduce the annual amount of income taxes.

- For an individual, the best way is to make a pre-tax contribution, called a salary deferral which is deducted from each paycheck. This employee contribution will have an immediate effect on your personal income taxes by setting aside part of your compensation before taxes are calculated.
- For companies, one of the most overlooked ways to decrease the company's corporate taxes is to make a strategic employer contribution into a qualified retirement plan like a 401(k), profit sharing or defined benefit plan.

Pension Planning Consultants, Inc. has experts on staff that can help examine different scenarios that will show the effect of making contributions.