

Business Owner Retirement Planning

Decision Readiness Checklist

Purpose

Business owners often have retirement planning opportunities that differ significantly from those available to employees.

The right retirement plan can affect:

- Current taxes
- Long-term retirement savings
- Business cash flow
- Employee benefits
- Business succession planning

This checklist is designed to help determine whether you have the information needed to evaluate your retirement planning options as a business owner.

The goal is not selecting a specific retirement plan.

The goal is identifying the opportunities that best support both your business and your long-term financial objectives.

1. What is your current business structure?

- ☐ Sole Proprietorship
- ☐ Single-Member LLC
- ☐ Partnership
- ☐ S Corporation
- ☐ C Corporation
- ☐ Other

Why it matters

Your business structure often influences the retirement plans available to you.

2. Do you have employees?

- ☐ No employees
- ☐ Part-time employees
- ☐ Full-time employees
- ☐ Family members only
- ☐ Multiple employees

Why it matters

Employee participation requirements may affect retirement plan design.

3. Do you currently sponsor a retirement plan?

- ☐ Solo 401(k)
- ☐ SEP IRA
- ☐ SIMPLE IRA
- ☐ Traditional 401(k)
- ☐ Defined Benefit Plan
- ☐ Cash Balance Plan
- ☐ No retirement plan

Why it matters

Different plans provide different contribution limits, flexibility, and administrative requirements.

4. Are you maximizing your current retirement opportunities?

- ☐ Yes

☐ No

☐ Unsure

Why it matters

Many business owners contribute significantly less than current rules allow.

5. What is your primary retirement planning objective?

☐ Reduce current taxes

☐ Increase retirement savings

☐ Build tax-free retirement income

☐ Maximize annual contributions

☐ Recruit and retain employees

☐ Business succession planning

☐ Unsure

Why it matters

The best retirement plan depends on what you're trying to accomplish.

6. Has your business income changed significantly?

☐ Increased

☐ Decreased

☐ Highly variable

☐ Relatively stable

Why it matters

Income changes may affect contribution strategies and plan selection.

7. Do you know approximately how much you could contribute this year?

- ☐ Yes
- ☐ No
- ☐ Unsure

Why it matters

Contribution opportunities vary significantly between retirement plans.

8. Have you evaluated Roth versus Pre-Tax opportunities?

- ☐ Mostly Pre-Tax
- ☐ Mostly Roth
- ☐ Combination
- ☐ Not reviewed

Why it matters

Business owners often have additional flexibility when coordinating tax strategies.

9. Have you coordinated retirement planning with your business compensation?

- ☐ Salary reviewed
- ☐ Owner distributions reviewed
- ☐ Guaranteed payments reviewed
- ☐ Not reviewed

Why it matters

Retirement contributions often depend on how business owners are compensated.

10. Do you expect to sell or transition your business?

- ☐ Within 5 years

- ☐ Within 10 years
- ☐ More than 10 years
- ☐ No current plans
- ☐ Unsure

Why it matters

Business succession plans often influence retirement planning decisions.

11. Have you reviewed your personal retirement readiness?

- ☐ Retirement spending
- ☐ Retirement income
- ☐ Social Security
- ☐ Roth strategy
- ☐ Not reviewed

Why it matters

Business retirement planning should support your overall retirement plan.

12. Have you coordinated retirement planning with tax planning?

- ☐ Estimated taxes
- ☐ Year-end planning
- ☐ Roth conversions
- ☐ Business deductions
- ☐ Not reviewed

Why it matters

Retirement planning is often one of the largest tax planning opportunities available to business owners.

13. Do you know what happens to your retirement plan if your business changes?

- ☐ Sale
- ☐ Closure
- ☐ New partners
- ☐ Employees added
- ☐ Retirement
- ☐ Unsure

Why it matters

Business changes often create retirement planning changes.

14. Have you reviewed your retirement strategy within the past year?

- ☐ Yes
- ☐ No

Why it matters

Business growth frequently creates new planning opportunities.

15. If your business earned significantly more next year, would you know how to adjust your retirement strategy?

- ☐ Yes
- ☐ Mostly
- ☐ Unsure
- ☐ No

Why it matters

The best retirement strategy often evolves alongside the business.

Quick Self-Assessment

Strong Foundation

- ✓ Retirement plan established
 - ✓ Contributions reviewed annually
 - ✓ Compensation coordinated
 - ✓ Tax strategy integrated
 - ✓ Long-term goals identified
 - ✓ Business succession considered
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Needs Attention

- ✓ No retirement plan
 - ✓ Contribution opportunities uncertain
 - ✓ Compensation not reviewed
 - ✓ Business growth not reflected in retirement planning
 - ✓ Strategy not reviewed recently
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High Priority Review

- ✓ Profitable business
 - ✓ No retirement plan
 - ✓ Significant increase in income
 - ✓ New employees
 - ✓ Business sale anticipated
 - ✓ Approaching retirement
 - ✓ Large taxable income
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Potential Next Steps

- ☐ Review current retirement plan
 - ☐ Estimate maximum annual contributions
 - ☐ Review compensation strategy
 - ☐ Evaluate Roth versus Pre-Tax opportunities
 - ☐ Review retirement plan alternatives
 - ☐ Coordinate retirement and year-end tax planning
 - ☐ Review business succession goals
 - ☐ Schedule a Business Owner Retirement Planning Review
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Final Question

If your business generated an additional **\$100,000** of profit this year, would you know:

- which retirement plan provides the greatest opportunity?
- how much you could contribute?
- how the contribution affects your taxes?
- how it fits into your broader retirement goals?
- whether your current retirement strategy is still the best fit for your business?

If the answer is anything less than a confident **"yes,"** your business retirement strategy may deserve attention.

Because the most effective retirement plans do more than reduce taxes.

They help transform the success of your business into long-term financial independence.

Disclaimer

This checklist is intended for educational purposes and is designed to help organize common business owner retirement planning considerations.

It should not be interpreted as tax, legal, financial, investment, or accounting advice.

Tax laws change over time, and every business owner's situation is unique. Before making retirement planning decisions, consult with qualified tax, financial, legal, or other professional advisors.

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