

The Business Case

How can retirement plans benefit my employees, my business, and me?

Saving for retirement is a crucial wealth-building tool, and comes with many additional benefits. Major advantages of offering a retirement plan include:

Attracting and retaining talented employees.

In a fiercely competitive retail market, offering a retirement option to employees can distinguish your business from the rest and encourage employees to remain with your company long-term.

Reducing income taxes for plan participants.

Putting money away through salary deductions in a tax-deferred account will lower your taxable income, thereby reducing your and your employees' overall income tax rate.

Reducing your business taxes.

Contributions you make on behalf of your employees to qualified plans can be deducted from your business taxes each year.

Helping you and your employees build wealth.

Even small contributions each month can add up to significant savings over time, [especially with the compounding effect of tax-deferred investment growth](#). To determine just how much you and your staff members could save by the time you retire, check out this [Retirement Calculator](#) from Paychex.