

ANN + ALAN | HYPOTHETICAL HOUSEHOLD

Good pieces. One coordinated plan.

A sample of the questions, tradeoffs, and sequence we would bring to a 1099 CRNA household.

\$340,000**Gross practice revenue**

Ann's 1099 CRNA practice

\$215,000**W-2 wages**

Alan's employment income

\$1.12M**Household assets**

Across investment and cash accounts

The decision behind the numbers

The household has substantial income and savings. The planning question is how to coordinate business cash, retirement accounts, health coverage, taxes, and investments without creating more work between shifts.

Start with profit, not revenue.

Ordinary practice expenses and net business profit are unknown. Gross revenue cannot establish a retirement funding budget or support a reliable tax-saving estimate.

What we would confirm first

Business: expenses, ownership, employees, payroll, and reliable cash flow.

Household: spending, debt, reserves, health coverage, and near-term goals.

Accounts: balances, tax basis, fees, plan terms, and prior contributions.

Ann and Alan are fictional. All amounts are illustrative assumptions, not client results. This sample shows the review process; it does not establish eligibility, recommend a transaction, or quantify a financial benefit.

THE STRATEGY MAP

What we would evaluate.

Each idea has a purpose. Each also needs evidence before it belongs in the plan.

01	Business + payroll	Would an S-corporation improve the whole picture? Compare defensible compensation, payroll taxes, ordinary expenses, benefits, and administration costs. An election alone does not establish savings.
02	Retirement funding	How much can the practice afford to commit? Review Solo 401(k) eligibility, employee coverage, plan terms, and other contributions. An actuary would test cash balance funding, ongoing obligations, and interaction with the 401(k).
03	Roth + rollover IRAs	Is a conversion or rollover appropriate? Review each spouse's IRA basis and balances separately. Compare receiving-plan terms, fees, investments, access, and tax effects before considering a rollover or conversion.
04	Health coverage	Do coverage and tax reporting support the strategy? Confirm HSA eligibility, other coverage, contributions already made, and shareholder benefit reporting. The available contribution limit is not proof of eligibility.
05	Investments	What changes improve the portfolio after all costs? Measure fees using actual holdings and balances. Review risk, asset location, embedded gains, and tax lots before trading. A lower expense ratio alone is not a complete value comparison.

Keep the optional ideas optional.

Spouse payroll, home-office reimbursements, and business use of the home would receive separate review of business purpose, documentation, cost, and eligibility. They are not assumed benefits.

FROM REVIEW TO FOLLOW-THROUGH

The value is in the order.

A plan should explain what to do next, who handles it, and what must be true before moving ahead.

1

Establish the baseline

Build one view of net practice profit, household cash needs, taxes, account costs, and existing plan commitments.

2

Test the options together

Coordinate the CPA, advisor, payroll provider, and actuary. Compare alternatives after expenses, funding obligations, and tax effects.

3

Agree on a short action list

Document the recommendation, its assumptions, tradeoffs, owner, and deadline. Decide what to defer or decline as well as what to pursue.

4

Implement and revisit

After authorization, coordinate each approved step and verify completion. Revisit the plan when contracts, income, benefits, or household needs change.

Keep the benefit labels honest.

Cost reduction: compare all relevant costs before and after.

Tax deferral: a current deduction may mean taxable withdrawals later.

Contribution capacity: moving money into an account does not create new wealth.

No dollar benefit is estimated here. A complete comparison needs verified inputs, an appropriate tax model, and all implementation and ongoing costs. This roadmap is not an investment-performance projection.

REFERENCE GUIDANCE

IRS: [S-corporation compensation and benefits](#) | [One-participant 401\(k\) plans](#) | [Defined benefit plans](#) | [HSA eligibility \(Publication 969\)](#) | [IRA reporting \(Form 8606 instructions\)](#)

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