

FREE GUIDE — SMALL BUSINESS OWNERS

The Employer's Guide to FICA Tax Reduction

How smart business owners are legally reducing their payroll taxes by \$40,000+ per year while giving employees better health benefits — at no extra cost.

\$40K+

Average annual employer savings

IRS

Section 125 compliant strategy

\$0 Cost

Employees get more at no extra cost

THE PROBLEM

You're Paying 7.65% More Than You Have To

Every dollar of W-2 wages costs you 7.65% in employer FICA taxes — Social Security and Medicare payroll taxes. Most business owners accept this as unavoidable. It isn't.

What 7.65% Costs You Per Year

Annual Payroll	Employer FICA Cost	Potential Savings*
\$250,000	\$19,125/yr	Up to \$11,000/yr
\$500,000	\$38,250/yr	Up to \$22,000/yr
\$1,000,000	\$76,500/yr	Up to \$44,000/yr
\$2,000,000	\$153,000/yr	Up to \$88,000/yr

*Actual savings depend on employee participation rate and plan design. Results vary.

The Strategy Most CPAs Haven't Told You About

The Ignite Health Plan restructures how employee compensation is delivered — legally reducing FICA-taxable wages while maintaining or improving employee take-home pay. It's based on IRS Section 125 and has been used by thousands of businesses for over a decade.

HOW IT WORKS

The Ignite Health Plan — Step by Step

The Ignite Health plan works through a voluntary employee benefit program structured under IRS Section 125. Here's how employers and employees both benefit:

1

Employees Voluntarily Enroll

Employees opt into the Ignite Health supplemental benefit plan. Enrollment is voluntary — employees who participate receive additional health-related benefits.

2

Wages Are Restructured Under Section 125

A portion of each participating employee's compensation is re-categorized as a pre-tax benefit contribution. This reduces the FICA-taxable wage base for both employer and employee.

3

Both Sides Save on FICA

The employer saves 7.65% on the restructured wages. The employee saves their 7.65% share too — effectively giving them a raise with zero additional cost to the employer.

4

Employer Keeps the Savings

Employer FICA savings go directly to the bottom line. Many businesses use the savings to fund other employee benefits, offset health insurance costs, or reinvest in operations.

Fully IRS-Compliant

The Ignite Health plan operates under established IRS regulations (Section 125 Cafeteria Plan rules) and has been used by thousands of businesses across the country. There's nothing aggressive or gray-area about this strategy.

What Employees Receive

Participating employees receive supplemental health benefits through the Ignite Health platform — at no out-of-pocket cost to them.



Telehealth Access

24/7 virtual doctor visits at no cost per visit



Prescription Savings

Discount on generic and brand prescriptions



Dental & Vision Discounts

Access to discount dental and vision networks



Mental Health / EAP

Employee Assistance Program and counseling access

WHO QUALIFIES FOR THE IGNITE HEALTH PLAN?

✓ **W-2 employees** — any business with W-2 payroll qualifies

✓ **Small to large businesses** — works for 5 employees or 5,000

✓ **All industries** — restaurants, healthcare, retail, professional services, construction

✗ **1099 contractors** — not eligible (W-2 employment required)

Get Your Free Savings Analysis

Rodney will run a no-obligation analysis showing exactly how much your business would save based on your actual payroll numbers. Most employers see \$400–\$800 in savings per participating employee per year.



Find Out How Much Your Business Could Save

Rodney offers a free, no-obligation FICA savings analysis for any business with W-2 employees. Most employers qualify within 15 minutes.

AVERAGE ANNUAL EMPLOYER SAVINGS

\$400–\$800

per participating employee

Request Your Free Savings Analysis

legacywealthservices.com/ignite-health

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This guide is for informational purposes only. Actual savings depend on employee count, wages, and participation rates. Consult your tax advisor before implementing any payroll strategy.