

# Comparing Retirement Plan Types

Feature	401(k)	SIMPLE IRA	SEP IRA	Payroll Deducted IRA
Complexity	High	Medium	Low	Low
Cost to Employer	Medium to High, depending on design, service model, other factors	Medium	Low	Very Low
Who Contributes?	Employee and Employer, Employer contributions can be optional	Employee and Employer	Employer	Employee
Employer Contributions	25% of eligible payroll; overall maximum contribution per eligible employee is 100% of compensation not to exceed \$56,000	Required match of 100% up to 3% of employee's compensation (may be reduced to 1% in 2 of any 5 years) OR 2% of compensation to all eligible employees	Discretionary; cannot exceed the lesser of 25% of the employee's compensation or \$56,000	None
Employee Contributions	Up to \$19,500 or 100% of compensation (whichever is lower)	Up to \$13,500 or 100% of compensation (whichever is lower)	N/A	Up to \$6,000
Catch Up Contributions (age 50 or older)	\$6,000	\$3,000	N/A	\$1,000

**IMPORTANT NOTE:** This chart provides a high level comparison of the features and benefits of the plans included and is not intended as a comprehensive or detailed review of each plan type. It is intended to be general in nature. As a result, exceptions to each plan feature can exist. Be sure to consult with a professional retirement planner or expert before you act on any information contained in this chart. For more information, view the [detailed comparison chart](#).

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