

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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