



Business Retirement Plan Comparison Analysis

	SEP IRA	SIMPLE IRA	401(k)
Who can contribute	Employer only	Employee & Employer	Employee & Employer Optional
Max employee contribution (catchup)	\$0	2023 - \$15,500 (addl. \$3,500 for 50+)	2023 - \$22,500 (addl. \$7,500 for 50+)
Employer contribution	Up to 25% of income or compensation with \$61,000 cap	Match employee's contribution up to 3% of salary OR 2% of salary for all eligible employees	<p style="text-align: center;">Safe Harbor Provisions: Match 4% of employee's contribution OR 3% of salary for all eligible employees</p> <p style="text-align: center;">Up to 25% of income or compensation with \$66,000 (\$73,500 for 50+) cap</p>
Access prior to 59.5	10% penalty for withdrawal	25% penalty in first two years, 10% thereafter	Penalty free loans, 10% penalty for withdrawal
Vesting	100% vested immediately	100% vested immediately	Option to include up to 6 years to vest in employer contributions
Portability	Yes, per plan provisions.	Rollovers (and roll-ins) permitted only after two-year period.	Rollovers (and roll-ins) permitted only after two-year period
Annual filing requirement	None	None	Form 5500
Average cost	Low; standard trading costs only	Low; standard trading costs only	Medium to High: \$1,500 - \$5,000