

The chart below compares our most popular business retirement account options.

	SEP IRA	SIMPLE IRA	Individual 401(k) (Traditional and Roth)	Corporate 401(k) (Traditional and Roth)
Key Features	Potential tax-deferred growth. Tax deductible employer contributions. Easy plan to administer. No employer tax filing. Flexible annual funding. High contribution limits.	Potential tax-deferred growth. Tax deductible employer and employee contributions. No employer tax filing. Employers and employees can contribute.	Potential tax-deferred and tax free (with Roth 401(k) account) growth. High contribution limits. Tax deductible employer and employee contributions. Employers and employees can contribute.	Potential tax-deferred and tax free (with Roth 401(k) account) growth. High contribution limits. Tax deductible employer and employee contributions. Employers and employees can contribute.
Employer Type	Any employer including sole proprietorships, partnerships, corporations and non-profit organizations.	Any small business with 100 or fewer employees.	Available to business owner with no employees or a business owner and their spouse.	Any business with one employee or more.
Employee Eligibility	Employee participation may be limited to: those at least 21 years of age, who earned at least \$600 per year (in 2016), and worked 3 of the last 5 years. (Employer can define less restrictive participation requirements.)	Employee participation may be limited to: those who earned at least \$5,000 during any 2 prior years, and expect to earn at least \$5,000 during current year. (Employer can define less restrictive participation requirements.)	Employee participation may be limited to: those at least 21 years of age, completed at least one year of service, who are not part of a collective bargaining agreement. (Employer can define less restrictive participation requirements.)	Employee participation may be limited to: those at least 21 years of age, completed at least one year of service, who are not part of a collective bargaining agreement. (Employer can define less restrictive participation requirements.)
Who Can Contribute	Employer may contribute. May be set up to allow employee to make traditional IRA contributions to the account.	Employees may and employer must contribute.	Business owner can contribute as employer and/or employee.	Employees may contribute. Employer may also contribute matching contributions or a percent of compensation.

Contribution Limit	Limited to the smaller of 25% of compensation or \$53,000 (for 2016).	In general, employee contributions are limited to \$12,500 (plus \$3,000 catch up contributions) in 2016. See below for employer contribution limits.	Employee elective salary deferrals are limited to the smaller of 100% of compensation or \$18,000 (plus \$6,000 catch up contribution) in 2016. See below for employer contribution limits.	Employee elective salary deferrals are limited to the smaller of 100% of compensation or \$18,000 (plus \$6,000 catch up contribution) in 2016. See below for employer contribution limits.
Employer Contribution Requirements	Each eligible employee must receive the same percentage of compensation. (based on the first \$265,000 of compensation for 2016) The employer contribution percentage may vary between 0 and 25 from year to year.	Employer must contribute either a matching contribution up to 3% of compensation (with no compensation limit), or a non-elective 2% of compensation contribution, subject to an annual limit on compensation (\$265,000 in 2016)	In general, employer non-elective contributions are limited to 25% of compensation subject to the annual limit on compensation (\$265,000 in 2016). Total contributions are limited to \$53,000 (plus catch up contribution).	Each eligible employee must receive the same matching terms and/or percentage of compensation. In general, employer non-elective contributions are limited to 25% of compensation subject to the annual limit on compensation (\$265,000 in 2016). Total contributions are limited to \$53,000 (plus catch up contribution).
Contribution Deadline	Contributions must be made to each employee's SEP IRA by the employer's tax filing deadline (including extensions).	Employee salary reduction contributions must be deposited shortly after the corresponding paycheck date. Employer contributions must be made by the employer's tax filing deadline (including extensions).	Employee salary reduction contributions must be deposited shortly after the corresponding paycheck date. Employer contributions must be made by the employer's tax filing deadline (including extensions).	Employee salary reduction contributions must be deposited shortly after the corresponding paycheck date. Employer contributions must be made by the employer's tax filing deadline (including extensions).
Vesting	100% immediately	100% immediately	100% immediately	Employer specifies vesting schedule.

Deadline for Account Opening	A SEP account must be set up by the employer's tax filing deadline (including extensions).	Accounts/plan must be established prior to October 1. Employer contributions must be made by the employer's tax filing deadline (including extensions).	Accounts/plan must be established by the end of the employer's tax year and funded by the employer's tax filing deadline (including extensions).	Accounts/plan must be established by the end of the employer's tax year and funded by the employer's tax filing deadline (including extensions).
Tax Treatment	Employer can deduct contributions. Employees can exclude contributions from their gross income.	Employer can deduct contributions. Employees can exclude contributions from their gross income.	Employee elective salary deferrals are excluded from the employee's taxable income (except for designated Roth deferrals). Employer contributions are deductible as a business expense.	Employee elective salary deferrals are excluded from the employee's taxable income (except for designated Roth deferrals). Employer contributions are deductible as a business expense.
Filing and Notice Requirements	Generally, the employer has no filing requirements (including Form 5500).	Generally, the employer has no filing requirements (including Form 5500), but does have employee notice requirements.	Generally, the employer is required to file Form 5500 annually if assets total more than \$250,000 at the end of the previous year, and does have employee notice and additional administrative requirements.	Generally, the employer is required to file Form 5500 annually if assets total more than \$250,000 at the end of the previous year, and does have employee notice and additional administrative requirements.
Participant Loans	Not permitted.	Not permitted.	Permitted if plan allows.	Permitted if plan allows.

Other business retirement accounts include:

- Retirement Trust Account**
- 403(b) Custodial Brokerage Account**
- Profit Sharing Plan**
- Money Purchase Pension Plan**