

Plan Type	Ideal For	Maximum Annual Contribution	Eligibility	Contribution Obligation	Plan Set-Up Deadline	Contribution Deadline	Plan Features
Simplified Employee Pension (SEP)	Smaller firm, corporate or noncorporate, seeking to minimize filings, paperwork and overall cost.	The lesser of 25% of employee's net compensation or \$54,000 (indexed for 2017).	Any employee age 21 or older who has worked for the employer in any three of the preceding five years must be eligible.	Discretionary. An eligible participant shares in the current-year contribution if he or she earned in excess of \$600 (indexed for 2017).	On or before employer's due date for filing federal tax returns (including extensions).	On or before employer's due date for filing federal tax returns (including extensions).	<ul style="list-style-type: none"> Minimal IRS reporting and disclosure. Employer contributions are 100% vested.
SIMPLE IRA (Savings Incentive Match Plan for Employees of Small Employers)	Employer with 100 or fewer employees (earning \$5,000 or more) during the past year wanting a plan that allows employee elective salary deferral contributions, requires minimal IRS reporting and has minimal cost.	Elective salary deferral limit of \$12,500 (indexed for 2017), with no limit as to percentage of compensation. Mandatory employer contribution to eligible participants. No additional contribution can be made.	Any employee who has earned \$5,000 from the employer in any two preceding years and is expected to earn \$5,000 in the current year must be eligible.	Elective salary deferrals are not subject to non-discrimination tests. Mandatory employer contribution of either 3% match or 2% nonelective to all eligible employees.	October 1 for start-up plans. Employees must have 60-day election period prior to January 1 (or the first day they are eligible) in which they can modify elections.	Salary deferrals should be deposited as soon as administratively feasible. The employer contribution deadline is the same as the SEP plan.	<ul style="list-style-type: none"> Simple implementation process. Employer contributions are 100% vested. Mandatory employer contribution. May not combine with another plan. \$3,000 catch-up contribution available.
Profit Sharing	Employer seeking flexibility of discretionary contributions and the ability to impose a vesting schedule on these contributions.	Employer contribution is limited to 25% of total eligible compensation. Depending on the allocation method used, an individual participant could receive up to the lesser of 100% of compensation or \$54,000.	Employees age 21 or older with one year of service must be eligible if a vesting schedule is imposed. A two-year eligibility period may be imposed if immediate vesting is provided.	Discretionary.	December 31 (or end of employer's tax year).	On or before employer's due date for filing federal tax returns (including extensions).	<ul style="list-style-type: none"> Discretionary contribution. Requires Form 5500 to be filed. Plan costs may be minimized by using a vesting schedule.
Age-Weighted or Comparability Profit Sharing	Small business or professional practice wishing to favor either the older employees or a specific group of employees.	Employer contribution is limited to 25% of total eligible compensation. These allocation methods allow an individual participant to receive up to the lesser of 100% of compensation or \$54,000.	Employees age 21 or older with one year of service must be eligible if a vesting schedule is imposed. A two-year eligibility period may be imposed if immediate vesting is provided.	Discretionary.	December 31 (or end of employer's tax year).	On or before employer's due date for filing federal tax returns (including extensions).	<ul style="list-style-type: none"> Discretionary contribution. Allocation favors older and/or key employees. Requires Form 5500 to be filed. Custom-designed plan with higher start-up costs.
401(k)*	Employer with more than 25 employees wanting a plan that allows employee elective salary deferrals.	Elective salary deferral limit of \$18,000 (indexed for 2017). Overall individual limit (deferrals plus employer contributions) is 100% of compensation up to \$54,000. Employer contribution limit (including deferrals) is 25% of eligible payroll.	Employees age 21 or older with one year of service must be eligible to make elective salary deferrals if a vesting schedule is imposed on employer contributions. See preceding profit sharing plan section as to eligibility for employer contributions.	Elective salary deferrals optional but subject to nondiscrimination test. Employer may choose to match employee elective deferrals and/or make a discretionary profit sharing contribution.	December 31 (or end of employer's tax year).	Salary deferrals should be deposited as soon as administratively feasible. Employer contribution deadline is on or before employer's due date for filing federal tax returns (including extensions).	<ul style="list-style-type: none"> Employee salary deferral reduces taxable income. May offer participant direction of investments. Employer contributions are immediately 100% vested. Plan may shift costs from the employer to the employee, thereby reducing overall plan cost. Requires Form 5500 to be filed. \$6,000 catch-up contribution available.
Safe Harbor 401(k)*	Employer wanting a plan that allows employee elective salary deferrals, without nondiscrimination testing.	Elective salary deferral limit of \$18,000 (indexed for 2017). Overall individual limit (deferrals plus employer contributions) is 100% of compensation up to \$54,000. Employer contribution limit (including deferrals) is 25% of eligible payroll.	Employees age 21 or older with one year of service must be eligible to make elective salary deferrals if a vesting schedule is imposed on employer contributions. See preceding profit sharing plan section as to eligibility for employer contributions.	Elective salary deferrals are not subject to nondiscrimination tests. Mandatory employer contribution of either 3% nonelective to all eligible employees or match of up to 4%.	October 1 of year in which plan is started. Employees must have election period of 30 to 90 days immediately preceding January 1 (or the first day they are eligible) in which they can modify elections.	Salary deferrals should be deposited as soon as administratively feasible. Employer contribution deadline is on or before employer's due date for filing federal tax returns (including extensions).	<ul style="list-style-type: none"> \$18,000 elective salary deferral limit without ADP testing. Mandatory employer contributions are 100% vested. Contribution format must be disclosed during 60-day notification period. \$6,000 catch-up contribution available.
Owner-Only/ One-Person 401(k)*	Employer where the only employees are owners/partners/shareholders and their spouses, earning less than \$216,000 each, and seeking to maximize employer contributions.	Elective salary deferral limit is \$18,000 (indexed for 2017), plus employer contributions of up to 25% of compensation. Overall individual limit (deferrals plus employer contributions) the lesser of 100% of compensation or \$54,000, plus any catch-up contribution.	Employees age 21 or older with one year of service must be eligible to make elective salary deferrals if a vesting schedule is imposed on employer contributions. See preceding profit sharing plan section as to eligibility for employer contributions.	Discretionary.	December 31 (or end of employer's tax year).	Salary deferrals should be deposited as soon as administratively feasible. Employer contribution deadline is on or before employer's due date for filing federal tax returns (including extensions).	<ul style="list-style-type: none"> May offer participant direction of investments. Allows vesting schedule. Requires Form 5500EZ to be filed only after assets exceed \$250,000 or any employee other than an owner or owner's spouse enters the plan. \$6,000 catch-up contribution available. Owner/employee can maximize contribution with minimal salary.
Defined Benefit	Employer wanting to offer a fixed benefit or to favor older employees. Ideal for a small business owner at least 45 years of age who never sponsored any type of retirement plan.	An actuarially calculated amount, based on a benefit not to exceed 100% of a participant's compensation, up to an indexed figure currently at \$215,000 for 2017.	Employees age 21 or older with one year of service must be eligible if a vesting schedule is imposed. A two-year eligibility period may be imposed if immediate vesting is provided.	Mandatory, based on specified benefit formula. Amount is determined by an actuary and requires quarterly minimum contributions.	December 31 (or end of employer's tax year).	On or before employer's due date for filing federal tax returns (including extensions).	<ul style="list-style-type: none"> Employer promises a specific established level of benefits to employees at retirement. Individual participants can exceed the \$54,000 limit (Sec. 415) imposed by defined contributions plans. Requires annual actuarial valuation and review. Requires Form 5500 to be filed.

*Includes Roth 401(k)