

Retirement Plan Comparison Chart

Feature	401(k)	Solo 401(k)	Safe Harbor 401(k)	SIMPLE 401(k)	Profit Sharing	SEP IRA	SIMPLE IRA
Basic Plan Type	Defined Contribution	Defined Contribution	Defined Contribution	Defined Contribution	Defined Contribution	IRA Based	IRA Based
Who generally adopts	Corporations, partnerships, limited liability companies	Sole proprietorships, partnerships, limited liability companies and corporations with no common law employees	Sole proprietorships, partnerships, limited liability companies and corporations	Sole proprietorships, partnerships, limited liability companies and corporations with 100 or fewer eligible employees	Sole proprietorships, partnerships, limited liability companies and corporations	Sole proprietorships, partnerships, and small businesses	Sole proprietorships, partnerships, limited liability companies and corporations with 100 or fewer employees
Can employer sponsor other qualified retirement plans	Yes	Yes	Yes	No	Yes	Yes	No
Who can contribute	Employee; employer contributions are optional	Employee; employer contributions are optional	Employee and employer	Employee and employer	Employer	Employer	Employee and employer
Cost Index	Low to high depending on design complexity, service model adopted and other factors	Low to Medium	Low to Medium	Low to Medium	Low to high depending on design complexity, service model adopted and other factors	Low	Low
Maximum employee deferral contribution	The lesser of \$16,500 for 2010 (indexed for inflation each year) or 100% of compensation	The lesser of \$16,500 for 2010 (indexed for inflation each year) or 100% of compensation	The lesser of \$16,500 for 2010 (indexed for inflation each year) or 100% of compensation	The lesser of \$16,500 for 2010 (indexed for inflation each year) or 100% of compensation	None	None. Contributions are generally by Employer only	The lesser of \$11,500 for 2010 (indexed for inflation each year) or 100% of compensation

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Employer contributions	Discretionary; maximum tax-deductible employer contribution is 25% of eligible payroll; overall maximum contribution per eligible employee is 100% of compensation not to exceed \$49,000	Discretionary; maximum tax-deductible employer contribution is 25% of eligible payroll; overall maximum contribution per eligible employee is 100% of compensation not to exceed \$49,000	Required match of 100% on the first 3% of employee deferral plus 50% on the next 2% of employee deferral OR 4% of compensation to all eligible employees	Required match of 100% up to 3% of employee's compensation OR 2% of compensation to all eligible employees	Discretionary; maximum tax-deductible employer contribution is 25% of eligible payroll; overall maximum contribution per eligible employee is 100% of compensation not to exceed \$49,000	Discretionary; cannot exceed the lesser of 25% of the employee's compensation or \$49,000	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
Catch-up contributions for those age 50 and older	\$5,500 for 2010 (indexed for inflation each year)	\$5,500 for 2010 (indexed for inflation each year)	\$5,500 for 2010 (indexed for inflation each year)	\$2,500 for 2010 (indexed for inflation each year)	N/A	N/A	\$2,500 for 2010 (indexed for inflation each year)
Employee eligibility	Age requirement cannot exceed 21; service requirement can't exceed one year; may exclude union employees	Age requirements cannot exceed 21; service requirements can't exceed one year	Age requirement cannot exceed 21; service requirement can't exceed one year; may exclude union employees	Age requirement cannot exceed 21; service requirement can't exceed one year; may exclude union employees	Age requirement cannot exceed 21; service requirement cannot exceed one year; two years if 100% vested; may exclude union employees	Age requirement cannot exceed 21; have earned compensation in three of the past five years; received compensation of at least \$500; may exclude union employees	All employees earning \$5,000 for any past two years and is expected to do so in current year; no age limit permitted; may exclude union employees
Who directs investments	Employer/Trustee or plan may allow individual direction	Individual	Employer/Trustee or plan may allow individual direction	Individual	Employer/Trustee or plan may allow individual direction	Individual	Individual
IRS reporting bby employer	Form 5500	Form 5500-EZ when plan assets reach \$100,000	Form 5500	Form 5500	Form 5500	None	None

