



Retirement Plan Comparison Chart

Feature	401(k)	Safe Harbor 401(k)	SIMPLE 401(k)	Profit Sharing	403(b)	SEP IRA	SIMPLE IRA
Basic plan type	Defined Contribution	Defined Contribution	Defined Contribution	Defined Contribution	Defined Contribution	IRA based	IRA based
Who generally adopts	Sole proprietorships, partnerships, limited liability companies, corporations, tax-exempt employers	Sole proprietorships, partnerships, limited liability companies, corporations, tax-exempt employers	Sole proprietorships, partnerships, limited liability companies, tax-exempt employers and corporations with 100 or fewer eligible employees	Sole proprietorships, partnerships, limited liability companies, corporations, tax-exempt employers	Tax-exempt Employers	Sole proprietorships, partnerships, limited liability companies, corporations, tax-exempt employers	Sole proprietorships, partnerships, limited liability companies, tax-exempt employers and corporations with 100 or fewer eligible employees
Can employer sponsor other qualified retirement plans	Yes	Yes	No	Yes	Yes	Yes	No
Establishment deadline	By the last day of the plan year for which the plan is effective	Any date between January 1 and October 1; may not have an effective date that is before the date plan actually adopted	Any date between January 1 and October 1; as soon as administratively feasible for businesses established after October 1st	Established by the time the corporate tax return (with extensions) is filed for the tax year in which the deduction is being taken	By the last day of the plan year for which the plan is effective	Established by the time the corporate tax return (with extensions) is filed for the tax year in which the deduction is being taken	Any date between January 1 and October 1; as soon as administratively feasible for businesses established after October 1st
Who can contribute	Employee; employer contributions are optional	Employee and employer	Employee and employer	Employer	Employee; employer contributions are optional	Employer	Employee and employer
DOL reporting by Employer	Form 5500	Form 5500	Form 5500	Form 5500	Form 5500	None	None



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Employee eligibility	Age requirement cannot exceed 21; service requirement cannot exceed one year; may exclude union employees	Age requirement cannot exceed 21; service requirement cannot exceed one year; may exclude union employees	Age requirement cannot exceed 21; service requirement cannot 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	Immediate eligibility for Employee contributions; Employer contributions can be made subject to an Age requirement (cannot exceed 21) and service requirement (cannot exceed one year)	Age requirement cannot exceed 21; have earned compensation in three of the past five years; received compensation of at least \$650; 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
Maximum employee deferral contribution	The lesser of \$19,500 for 2021 or 100% of compensation	The lesser of \$19,500 for 2021 or 100% of compensation	The lesser of \$13,500 for 2020 or 100% of compensation	None	The lesser of \$19,500 for 2021 or 100% of compensation	None	The lesser of \$13,500 for 2020 or 100% of compensation
Catch-up contributions for those age 50 and older	\$6,500 for 2021	\$6,500 for 2021	\$3,000 for 2021	N/A	\$6,500 for 2021	N/A	\$3,000 for 2021
ROTH contribution allowed	Employer Option	Employer Option	Employer Option	No	Employer Option	No	No
Participant Loans	Employer Option	Employer Option	Employer Option	Employer Option	Employer Option	No	No
Hardship Distributions	Employer Option	Employer Option	Employer Option	Employer Option	Employer Option	No	No



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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 \$58,000	Required match of 100% on the first 3% of employee deferral plus 50% on the next 2% of employee deferral OR 3% of compensation to all eligible employees OR QACA Match equals 100% on the first 1% plus 50% on the next 5% deferred.	Required match of 100% on the first 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 \$58,000	Discretionary; maximum tax deductible employer contribution is 25% of eligible payroll; overall maximum contribution per eligible employee is 100% of compensation not to exceed \$58,000	Discretionary; cannot exceed the lesser of 25% of the employee's compensation or \$58,000	Required match of 100% on the first 3% of employee's compensation (may be reduced to 1% in 2 of any 5 years) OR 2% of compensation to all eligible employees
Maximum vesting on Employer contributions	3-year cliff or 6-year graded	Immediate	Immediate	3-year cliff or 6-year graded	3-year cliff or 6-year graded	Immediate	Immediate
Can rollover TO:							
IRA	Yes	Yes	Yes	Yes	Yes	Yes ⁴	Yes ^{2,4}
SIMPLE IRA	Yes ²	Yes ²	Yes ²	Yes ²	Yes ²	Yes ^{2,4}	Yes ⁴
SEP IRA	Yes	Yes	Yes	Yes	Yes	Yes ⁴	Yes ^{2,4}
Roth IRA	Yes ⁵	Yes ⁵	Yes ⁵	Yes ⁵	Yes ⁵	Yes ⁵	Yes ^{2,5}
403(b) ¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes ²
457(b)	Yes	Yes	Yes	Yes	Yes	Yes	Yes ²
401(k) ¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes ²
Roth 401(k) ³	Yes	Yes	Yes	Yes	Yes	No	No

Notes:

1. Even though a plan may accept rollovers, they are not required to do so. Hardship distributions cannot be rolled over.
2. Only after the individual has participated in the SIMPLE IRA for two years.
3. Roth 401(k) funds can only be rolled over to a designated Roth account within a 401(k)/403(b) plan, if permitted, or to a Roth IRA.
4. Only one rollover in any 12-month period
5. Pre-Tax monies must be included in taxpayer's income.