

2023 Retirement Plan Comparison

	401(K)	Defined Benefit Plan	SIMPLE IRA	SEP IRA	Traditional IRA	Roth IRA	Attorney Fee Deferral
Employee Max Deferral	\$22,500	N/A	\$15,500	N/A	\$6,500	\$6,500	N/A
Employee Age 50 Catch Up Contribution	\$7,500	N/A	\$3,500	N/A	\$1,000	\$1,000	N/A
Employer Max Deferral	Up to total contribution of \$66,000 (\$73,500 if employee is over 50)	Generally very high - Based on compensation, years of service, age...	3% of Compensation up to full match	Lesser of 25% of compensation or \$66,000	Might not be deductible. Various AGI Limits	AGI Limit (228K MFJ) For Contributions	Unlimited
Total Max Contribution	\$66,000 (\$73,500 if over 50)	Very High	\$31,000 (\$38,000 if over 50)	\$66,000	\$6,500 (\$7,500 if over 50)	\$6,500 (\$7,500 if over 50)	Unlimited
Employer Contributions Required?	No	Yes - Minimum funding requirement	Yes - May reduce to 1% during 2 out of 5 years. Must be 3% in other years.	Yes	N/A	N/A	N/A
Flexible Contributions?	Yes - Cost to ammend plan to make changes	Flexible on making larger contributions, but minimum contributions can be significant	Some flexibility- if going to reduce employer match, must announce to employees prior to Nov. 1 of prior year	Limited - Employees all get same percentage. Can change percentage annually	Yes	Yes	Yes
Vesting Schedule	Up to 3 year cliff or 6 year graduated	Up to 5 year cliff or 7 year graduated	100% Immediate	100% Immediate	N/A	N/A	N/A
Setup Deadline	12/31/2023	12/31/2023	10/1/2023	9/15/2024	4/15/2024	4/15/2024	N/A
Funding Deadline	Employee Deferrals - timely, Employer Contributions 9/15/24	9/15/2024	Employee Deferrals - timely, Employer Contributions 9/15/2024	9/15/2024	4/15/2023	4/15/2023	N/A