



2017 Business Retirement Plan Chart

	SEP IRA (Self Employed) (Simplified Employee Pension)	SEP IRA (Employee) (Simplified Employee Pension)	SIMPLE IRA (Savings Incentive Match Plan for EE's)	401(k)
Eligibility to participate	Anyone (regardless of age) with income. However, if contributions are made for self-employed, they must be made for eligible employees.	Eligible employees include anyone at least age 21 who worked for employer any time during at least 3 of the last 5 years and received \$600 or more this year.	Employers with 100 or less employees that do not maintain another retirement plan. Must be offered to all employees who have earned at least \$5,000 in any two prior years to current year and are expected to earn at least \$5,000 in the	Employees at least age 21 with one year of service (1,000 hours).
Maximum contributions allowed	20% of net self-employed income after SE tax deduction up to maximum contribution of \$54,000.	25% of wages up to maximum contribution of \$54,000.	Employee elective deferrals limited to \$12,500 (\$15,500 if age 50+). The employer can either match dollar for dollar employee elective deferrals up to 3% of wages (can be reduced to 1% in any 2 out of 5 years) or contribute 2% of wages up to \$270,000 for all employees. Includes nonparticipants.	Employee elective deferrals limited to \$18,000 (\$24,000 for ages 50+). Employer deduction limited to 25% of combined wages of all EE's. Combined contributions limited to 100% of wages up to \$54,000.
Penalties for early withdrawal before age 59 1/2	10% of distribution	10% of distribution	10% of distribution, or 25% if withdrawn less than two years from the date first participated in plan	10% of distribution.
Age withdrawals must begin	70 1/2. However, contributions can be made to the plan after age 70 1/2 if there is still earned income.			70 1/2 for self-employed and 5% owners. 70 1/2 or retirement for other EE's, whichever is later.
Date to start plan and make contributions	Tax return due date, including extensions.		Establish plan by October 1 for new plans first in effect. Make employer contributions by the return due date, including extensions.	December 31 to establish plan. Employer contributions by return due date.
Employer contributions required?	No	No	Yes	Generally, no.
Borrowing permitted?	No	No	No	Yes, if plan permits. Must pay back in 5yrs.
Rollover allowed?	Yes	Yes	Yes	Yes

***Penn Rise Advisors can help you choose and implement the retirement plan that best suits your needs.
To discuss your options, contact Karl Klingmann II at 610-269-8363 or karl@pennriseadvisors.com.
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