

IRA COMPARISON



IRA RESOURCES, INC.

SEP

ELIGIBILITY	CONTRIBUTION LIMITS	HIGHLIGHTS	DEADLINE TO ESTABLISH
Self-employed individuals or small business owners, including those with employees: Sole proprietors, Partnerships, C corporations, S corporations	25% of compensation or maximum cap for the year (the lesser amount) 2020 max: \$57,000 2021 max: \$58,000 Each eligible employee must receive the same percentage Contributions are not mandatory	Tax-deferred— so you don't pay taxes until withdrawn at retirement Tax-deductible contributions Easy to set up and maintain Funded by employer contributions only	April 15 or your tax-filing deadline

SIMPLE

ELIGIBILITY	CONTRIBUTION LIMITS	HIGHLIGHTS	DEADLINE TO ESTABLISH
Businesses with 100 or fewer employees: Sole proprietors, Partnerships, C corporations, S corporations Participating employees must have earned at least \$5,000 in compensation during any 2 years preceding	Employer: mandatory 3% matching contribution or 2% non-elective contribution Participants contributions 2020: Up to \$13,500 in salary deferrals (\$16,500 if age 50 or older) 2021: Up to \$13,500 in salary deferrals (\$16,500 if age 50 or older)	Tax deferred— so you don't pay taxes until withdrawn at retirement Employer contributions are deductible as business expenses Funded by employee deferrals and employer contributions	Self-Employed (with no common-law employees) contribution deadline: Jan.30 Employer deadline: Tax filing deadline

ROTH

ELIGIBILITY	CONTRIBUTION LIMITS	HIGHLIGHTS	DEADLINE TO ESTABLISH
No age limit Must have earned income	2020: \$6,000 (\$7,000 if age 50 or older) 2021: \$6,000 (\$7,000 if age 50 or older) Contributions are not tax-deductible	Earnings grow tax-free Taxes are paid up front, so you're able to withdraw your contributions tax-free and penalty-free at any time	April 15

TRADITIONAL

ELIGIBILITY	CONTRIBUTION LIMITS	HIGHLIGHTS	DEADLINE TO ESTABLISH
Individuals less than 70½ years of age Must have earned income	2019: \$6,000 (\$7,000 if age 50 or older) 2020: \$6,000 (\$7,000 if age 50 or older)	Tax-deductible contributions based on Modified Adjusted Gross Income (MAGI)	April 15