

2009 Pension Comparison Table 2

	Simple IRA	SEP	Solo 401-K	401-K
<b>Highlights</b>	Excellent choice for side businesses, small businesses and those with <\$50k annual income. 97% employee funded	Excellent contribution limits, no 5500 make this a winner, but 100% employer funded. Voluntary contributions.	The best plan for family businesses, those with only part-time employees as long as they want to fund more than a SIMPLE. Better than a SEP in many cases.	Excellent plan, partly employee funded, but watch the dreaded top-heavy rules which can make this a bad choice for some businesses.
<b>Max. Employee Contribution</b>	\$11,500	-0-	\$16,500	\$16,500
<b>Max Employer Contribution</b>	\$4,800	Lesser of 25% of W-2 or \$49,000	Lesser of 25% of W-2 or \$49,000	Lesser of 25% of W-2 or \$49,000
<b>Max Contribution All Sources</b>	\$11,500 + 3% of W-2 Before Deferral	\$49,000	\$49,000	\$49,000
<b>Over Age 49 Additional Catch-Up</b>	\$2,500	N/A	\$5,500	\$5,500
<b>Tax Deduction</b>	Yes	Yes	Yes	Yes
<b>Withdrawals</b>	Taxed	Taxed	Taxed	Taxed
<b>Earnings</b>	Deferred	Deferred	Deferred	Deferred
<b>Penalty Exceptions</b>	Most IRA exceptions	Most IRA exceptions	Most IRA exceptions	Most IRA exceptions
<b>Form By (2009)</b>	10/1/09	Due date + extension	12/31/09	12/31/09
<b>Contribute By</b>	Due date + extension	Due date + extension	Due date + extension	Due date + extension
<b>Penalty Issues</b>	25% 1 <sup>st</sup> 2 years	10% before 59 1/2	10% before 59 1/2	10% before 59 1/2
<b>Tests</b>	No other active plan	No other active plan	Employer sponsored, other plans ok	Employer sponsored, other plans ok
<b>Distributions</b>	Plan based Usually 70 1/2	Plan based Usually 70 1/2	Later of 70 ½ or retirement (Not required in 09)	Later of 70 ½ or retirement (Not required in 09)
<b>Bankruptcy Protection</b>	Unlimited	Unlimited	Unlimited	Unlimited
<b>5500 Required</b>	No	No	Yes	Yes
<b>More Information</b>	<a href="#">Publications 560</a>	<a href="#">Publications 560</a>	<a href="#">Publications 560</a>	<a href="#">Publications 560</a>

