

Plans at a Glance

	401(k) Plan	Safe Harbor 401(k) Plan	Solo 401(k)	SIMPLE-IRA	Profit Sharing Plan	403(b) Plan	Cash Balance Plan
Target or Typical Plan Sponsor	All businesses, except governmental agencies.	All businesses, except governmental agencies.	All businesses with no common law employees.	All businesses with fewer than 100 employees, including the self-employed.	All businesses.	Governmental Agencies, Educational organizations, nonprofit organization under 501(c)(3) and certain church organizations	All businesses with consistent profit patterns wanting to contribute funds in excess of allowed amounts in traditional 401(k) plan.
Advantages	Provides pre-tax retirement saving and flexibility. Allows Roth contributions.	Provides pre-tax retirement saving and flexibility with the ability to waive non-discrimination testing and allow Roth.	Provides pre-tax retirement saving and flexibility. Very in-expensive to maintain	Provides pre-tax retirement saving and easy administration.	Allows flexible contributions.	Can provide both employee and employer contributions	Provides higher contribution limits and easier to understand benefits than a traditional defined benefit plan.
Funded By	Employee and employer.	Employee and employer.	Employee and employer.	Employee and employer.	Employer.	Employee and employer.	Employer.
Eligibility Requirements	May require up to age 21 with one year of service and 1,000 hours.	May require up to age 21 with one year of service and 1,000 hours.	May require up to age 21 with one year of service and 1,000 hours.	Employees earning \$5,000 in two prior years.	May require up to age 21 and 2 years of service (100% vesting would apply)	Immediate eligibility for employee deferrals and up to 1 year, 1000 hours and age 21 allowed for employer contributions	Usually employees age 21 with one year of service and 1,000 hours.
Maximum Annual Individual Contribution	Contributions are the lesser of the plan or IRS limit \$19,500 (indexed) and up to 100% of your annual eligible compensation. Additional \$6.500 for those age 50 and over.	Contributions are the lesser of the plan or IRS limit \$19,500 (indexed) and up to 100% of your annual eligible compensation. Additional \$6.500 for those age 50 and over.	Contributions are the lesser of the plan or IRS limit \$19,500 (indexed) and up to 100% of your annual eligible compensation. Additional \$6.500 for those age 50 and over.	100% of compensation up to \$13,500 (indexed). Additional \$3.000 for those age 50 and over.	Not applicable.	Contributions are the lesser of the plan or IRS limit \$19,500 (indexed) and up to 100% of your annual eligible compensation. Additional \$6.500 for those age 50 and over.	Not applicable. However these plans are typically paired with a Safe Harbor 401(k) Plan.
Maximum Annual Employer Contribution	25% of eligible employee compensation up to \$58,000 (indexed). \$64,500 for those age 50 and over	Choice of two required contributions: 1. Match 100% of first 3% of compensation ¹ plus 50% of next 2% of compensation, ¹ OR 2. Contribution of 3% of compensation ¹ to all eligible employees. ³ Additional employer contributions may be allowed; however, when combined with required contribution, total contribution cannot exceed 25% of eligible employee compensation up to \$58,000 . \$64.500 for those age 50 and over	25% of eligible employee compensation up to \$58,000 (indexed). \$64.500 for those age 50 and over	Choice of two required contributions: 1. Match 100% up to 3% of compensation, OR 2. Contribution of 2% of compensation ¹ to all eligible employees. The match can be reduced in 2 out of 5 years. No additional employer contributions are allowed.	25% of eligible employee compensation ¹ up to \$58,000 (indexed). Contribution amount is discretionary each year. Profit sharing contributions can be allocated in the following ways: <ul style="list-style-type: none"> • pay-to-pay • integrated • age weighted • comparability 	Up to 100% of each participant's compensation not to exceed \$58,000 for 2021.	Contributions are age-dependant. The older the participant, the higher the contribution amount. This is because the older person has fewer years to save toward the approximate \$2.5 million lump sum that is allowed in a Cash Balance.
Vesting Schedule	Vesting schedule available.	100% immediate vesting on safe harbor match or non-elective contribution. Additional employer contributions may be subject to a vesting schedule.	100% immediate vesting.	100% immediate vesting.	Vesting schedule available.	Vesting schedule available.	Vesting schedule available.
Plan Compliance Testing and Government Reporting	<ul style="list-style-type: none"> • ADP/ACP—Yes • Top Heavy—Yes • 415 Testing—Yes • Govt. Reporting—Yes 	<ul style="list-style-type: none"> • ADP/ACP—No • Top Heavy—No³ • 415 Testing—Yes • Govt. Reporting—Yes 	<ul style="list-style-type: none"> • ADP/ACP—No • Top Heavy—No • 415 Testing—Yes • Govt. Reporting—Yes 	<ul style="list-style-type: none"> • ADP/ACP—No • Top Heavy—No • 415 Testing—No • Govt. Reporting—No 	<ul style="list-style-type: none"> • ADP/ACP—No • Top Heavy—Yes • 415 Testing—Yes • Govt. Reporting—Yes 	<ul style="list-style-type: none"> • ADP/ACP—No • Top Heavy—No • 415 Testing—Yes • Govt. Reporting—for plans subject to ERISA 	<ul style="list-style-type: none"> • ADP/ACP—No • Top Heavy—No • 415 Testing—No • Govt. Reporting—Yes • General Testing—Yes
Loans Available	Yes	Yes	Yes	No	Yes	Yes	Yes
When to Establish	Anytime.	Up to 3 months prior to plan year-end.	Anytime.	January 1—October 1.	Prior to fiscal year end.	Prior to fiscal year end	Prior to fiscal year end.