



Secure Your Retirement Future

SIMPLE IRA:

A SIMPLE (Savings Incentive Match Plan for Employees) IRA Plan is a retirement savings plan that enables employers and employees to contribute to traditional IRAs. This type of plan may be suitable for very small businesses looking for an inexpensive plan to set up and operate; however, a SIMPLE IRA has lower contribution limits and less flexibility than a custom designed 401(k) profit-sharing plan.

| | <u>Age</u> | <u>Salary</u> | <u>SIMPLE Deferrals</u> | <u>3% Company Matching Contribution</u> | <u>Company Contribution Percent</u> | <u>Total</u> |
|-------------------------------|------------|----------------|-----------------------------|---|---|---------------|
| Owner | 55 | 305,000 | 17,000 | 9,150 | 3% | 26,150 |
| Employee | 48 | 50,000 | Up to 14,000 | 1,500 | 3% | 1,500 |
| Employee | 48 | 50,000 | Up to 14,000 | 1,500 | 3% | 1,500 |
| Employee | 34 | 50,000 | Up to 14,000 | 1,500 | 3% | 1,500 |
| Employee | 34 | 50,000 | Up to 14,000 | 1,500 | 3% | 1,500 |
| Employee | 24 | 50,000 | Up to 14,000 | 1,500 | 3% | 1,500 |
| Employee | 24 | 50,000 | Up to 14,000 | 1,500 | 3% | 1,500 |
| <i>Employee Subtotals</i> | | <i>300,000</i> | <i>0</i> | <i>9,000</i> | | <i>9,000</i> |
| Totals | | <u>605,000</u> | <u>17,000</u> | <u>18,150</u> | | <u>35,150</u> |

Percent of company contribution going to owner = **50.41%**