

Qualified Small-Business Plans

Putting away money for retirement is a big deal. Our staff at Elga Wealth Management has got you covered! Whether you're a single business owner, a staff of 25 we have a solution for you. From tax deductible to tax free, keep more of what you earn for yourself at retirement.

Call Today!
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	<u>SEP IRA</u>	<u>Self-Employed 401(k)</u>	<u>SIMPLE IRA</u>	<u>Investment-Only</u>	<u>401(k)</u>
Who it's for	Self-employed individual or small business owner, including those with employees Available to sole proprietors, partnerships, C corporations, S corporations	Self-employed individual or business owner with no employees other than a spouse Available to sole proprietors, partnerships, C corporations, S corporations	Businesses with 100 or fewer employees and self-employed individuals Available to sole proprietors, partnerships, C corporations, S corporations	Businesses that want a full brokerage account for investing plan assets for their non-Fidelity prototype retirement plan but do not require other plan services Fidelity provides no plan documents, tax reporting or administrative services.	Any type of public or private company Generally most appropriate for companies with 20 or more employees
Key advantages	Easy to set up and maintain Flexible annual funding requirements Wide range of investment choices	A 401(k) with potentially higher contribution limits than SEP IRA Wide range of investment choice	Salary deferral plan with less administration Electronic funding with customized contribution allocation for each participant Wide range of investment choice	Wide range of investment choice No account setup fee or annual maintenance fee ¹	Flexibility in plan design Plan administrative services, investment management, and participant education programs Wide range of mutual fund options
Fees	Typically no initial setup fee or annual maintenance fee	Typically no initial setup fee or annual maintenance fee	Low cost with option of annual fee of \$25 per participant or \$350 plan fee ¹	Typically no account setup fee or annual maintenance fee	Varies by plan
Who can contribute	Funded solely by employer contributions	Funded by employee deferrals and employer contributions	Funded by employee deferrals and employer contributions	Varies by plan	Funded by employee deferrals and employer contributions
2016 employee contribution limits²	Not applicable	Up to \$18,000 in salary deferrals; \$24,000 if age 50 or older	Up to \$12,500 in salary deferrals; \$15,500 if age 50 or older	Varies by plan	Up to \$18,000 in salary deferrals, or \$24,000 if age 50 or older (limits may vary by plan)
2016 employer contribution limits²	Up to 25% of compensation ³ up to a maximum of \$53,000	Employers may contribute up to 25% of compensation ³ up to a maximum of \$53,000. Total employer/employee contributions cannot exceed \$53,000.	Either match employee contributions up to 3% of compensation; can be reduced to 1% in any two out of five years or contribute 2% of each employee's compensation, ³ up to \$5,300	Varies by plan	Employers may make a matching contribution or profit sharing contribution up to 25% of compensation up to a maximum of \$53,000. Total employer/employee contributions cannot exceed \$53,000.
Administrative responsibilities	No employer tax filings; employee notification for employer's contribution, if made	Annual Form 5500 filing after plan assets exceed \$250,000	No employer tax filings; certain annual employee notifications must generally be made by Nov. 1.	Varies by plan	Form 5500 and special IRS testing to ensure plan does not favor highly compensated employees
Access to assets³	Withdraw at any time, but a 10% penalty may apply if you are under age 59½.	Cannot take withdrawals from the plan until a "trigger" event occurs, such as turning age 59½, disability, and/or plan termination	Withdraw at any time, but a 10% penalty may apply if you are under age 59½. If the withdrawal is taken within first two years of participation in the plan, that penalty increases to 25%.	Varies by plan	Loans may be available. Hardship withdrawals may be available but a 10% penalty may apply if you are under age 59½. Withdrawals can be taken upon a "trigger" event such as turning age 59½, disability, termination of employment, and/or plan termination.
Plan setup deadlines	Establish by employer's tax filing deadline, plus extensions, usually April 15.	Establish by December 31 (or fiscal year-end).	Establish by October 1.	Varies by plan	Deadline is based upon the plan selection. Call 877-295-7662 to find out more about Fidelity's 401(k) plans.

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