

Retirement Plan Comparison Chart | 2019

Plan Type:	SEP IRA	Profit Sharing	401(k)
Lafayette Life	Yes	Yes	Yes
Key Features	Easy administration, Life insurance is not permitted; contributions discretionary; contributions may be deductible by employer. Employer must include eligible employees.	Tax-deferred investment; flexibility in plan design; contributions discretionary; contributions may be deductible by employer.	Tax-deferred investment; flexibility in plan design; contributions may be deductible by employer; salary deferrals reduce employee's taxable income. Defined benefit plan sponsor can also adopt.
Contributors	Employer only	Employer only	Employee and optional Employer
Contribution Flexibility	Yes	Yes	Yes
Maximum Eligibility Requirements	Age 21 with two years of service ²	Age 21 with two years of service ²	Age 21 and one year of service
Contribution Limits¹	Employer: 25 percent of each employee's compensation. Individual: The lesser of 100 percent of compensation or \$56,000	Employer: 25 percent of eligible employee compensation. Individual: The lesser of 100 percent of compensation or \$56,000	Employer: 25 percent of eligible employee compensation. Individual: The lesser of 100 percent of compensation or \$56,000 (including salary deferrals).
Contribution Due Date	By employer's tax filing date, including extensions.	By employer's tax filing date, including extensions.	Employee deferrals must be deposited no later than the 7th business day following the date the employee would have received the contributions (payday); employer contribution by the tax filing date, including extensions.
Maximum Annual Salary Deferral	Not applicable	Not applicable	\$19,000
Catch-up Contrib. for Participants age 50	Not applicable	Not applicable	\$6,000
Vesting in Employer Contribution (Top Heavy)	100 percent immediate	May be graded up to six years	May be graded up to six years
When Established	Anytime prior to tax filing deadline, including extensions	Prior to fiscal year end	Prior to fiscal year end
Form 5500 Reporting	No	Yes	Yes

1 Compensation is limited to \$280,000 per year. The self-employed contribution limit is based on net income (gross income less the contribution and one half of the self-employment tax).

2 100 percent immediate vesting is mandatory.

3 Simple IRA: For any two years out of five, employer may have a lower match, but not less than 1.0 percent.



**Lafayette Life
Insurance Company**

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Retirement Plan Comparison Chart | 2019

Plan Type:	Safe Harbor 401(k)	SIMPLE 401(k) or SIMPLE IRA	Defined Benefit, 412(e)(3) Fully Insured Plan or Cash Balance Plan
Lafayette Life	Yes	No	Yes
Key Features	Tax-deferred investment; Highly compensated employees may defer the maximum amount; contributions may be deductible by employer; salary deferrals reduce employee's taxable income. Defined benefit plan sponsor can also adopt.	Tax-deferred investment; contributions may be deductible by employer; salary deferrals reduce employee's taxable income. A SIMPLE 401(k) or SIMPLE IRA must be the exclusive plan. Employee limit: 100 or fewer.	Contributions may be higher than other types of retirement plans; Generally favors older, highly compensated employees.
Contributors	Employee and Employer	Employee and Employer	Employer only
Contribution Flexibility	Mandatory Safe Harbor contribution: Employer contribution is 3 percent of compensation; OR, match is 100 percent on the first 3 percent of deferrals, plus 50 percent on deferrals between 3 percent and 5 percent of compensation. Additional discretionary profit sharing contribution allowed.	The employer must make either a matching or non-elective contribution.	No
Maximum Eligibility Requirements	Age 21 and one year of service	401(k): Age 21 and one year of service IRA: Employees earning \$5,000 in current year and any two prior years	Age 21 with two years of service ²
Contribution Limits¹	Employer: 25 percent of eligible employee compensation. Individual: The lesser of 100 percent of compensation or \$56,000 (including salary deferrals).	Employer: 100 percent match on 3 percent of compensation ³ ; OR, a 2 percent employer contribution to all eligible employees. No other contribution is permitted.	Based on benefit formula. \$225,000 maximum annual benefit.
Contribution Due Date	Deferrals must be deposited no later than the 7th business day following the date the employee would have received contributions (payday). Employer contribution by the tax filing date, including extensions.	Salary deferrals to the SIMPLE IRA must be made within 30 days after the end of the month in which the amounts would have been payable to the employee. Employer contribution by the tax filing date, including extensions.	Defined Benefit: By employer's tax filing date, including extensions, but no later than 8½ months after plan year end. 412(e)(3) Fully Insured: Beginning of plan year.
Maximum Annual Salary Deferral	\$19,000	\$13,000	Not applicable
Catch-up Contrib. for Participants age 50	\$6,000	\$3,000	Not applicable
Vesting in Employer Contribution (Top Heavy)	100 percent vesting on safe harbor contributions. Profit Sharing contribution may be graded up to six years	100 percent immediate	May be graded up to six years ⁴
When Established	Prior to October 1	Prior to October 1	Prior to fiscal year end
Form 5500 Reporting	Yes	Yes: SIMPLE 401(k) No: SIMPLE IRA	Yes

¹ Compensation is limited to \$280,000 per year. The self-employed contribution limit is based on net income (gross income less the contribution and one half of the self-employment tax).

² 100% Immediate vesting is mandatory.

³ Simple IRA: For any two years out of five, employer may have a lower match, but not less than 1.0%.

⁴ Cash balance plans are required to vest 100 percent after three years.

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