



Comparing Plan Contributions: SEP vs. SIMPLE vs. 401(k)

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Plan Limits (2022) - Maximum Contribution Comparison

<u>Earned Income</u>	<u>SEP Plan</u>	<u>SIMPLE Plan with 3% Match</u>			<u>Traditional 401(k) Plan</u>		
	<u>Max 25% Contribution</u>	<u>Maximum Deferral</u>	<u>3% Match</u>	<u>Total</u>	<u>Maximum Deferral</u>	<u>Max. 25% Contribution</u>	<u>Total</u>
20,000	\$ 5,000	\$ 14,000	\$ 600	\$ 14,600	\$ 20,000	\$ -	\$ 20,000*
25,000	6,250	14,000	750	14,750	20,500	6,250	26,750
30,000	7,500	14,000	900	14,900	20,500	7,500	28,000
35,000	8,750	14,000	1,050	15,050	20,500	8,750	29,250
40,000	10,000	14,000	1,200	15,200	20,500	10,000	30,500
50,000	12,500	14,000	1,500	15,500	20,500	12,500	33,000
60,000	15,000	14,000	1,800	15,800	20,500	15,000	35,500
75,000	18,750	14,000	2,250	16,250	20,500	18,750	39,250
100,000	25,000	14,000	3,000	17,000	20,500	25,000	45,500
162,000	40,500	14,000	4,860	18,860	20,500	40,500	61,000
200,000	50,000	14,000	6,000	20,000	20,500	40,500 (20.25%)	Same
244,000	61,000	14,000	7,320	21,320	20,500	40,500 (16.59%)	Same
305,000	61,000 (20%)	14,000	9,150	23,150	20,500	40,500 (13.28%)	Same
450,000	Same	14,000	13,500	27,500	20,500	Same	Same

*One's annual addition cannot exceed 100% of earned income.
This calculation ignores social security and medicare taxes.

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