



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

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Plan Limits (2023) - 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	\$ 15,500	\$ 600	\$ 16,100	\$ 20,000	\$ -	\$ 20,000*
25,000	6,250	15,500	750	16,250	22,500	2,500	25,000
30,000	7,500	15,500	900	16,400	22,500	7,500	30,000
35,000	8,750	15,500	1,050	16,550	22,500	8,750	31,250
40,000	10,000	15,500	1,200	16,700	22,500	10,000	32,500
50,000	12,500	15,500	1,500	17,000	22,500	12,500	35,000
60,000	15,000	15,500	1,800	17,300	22,500	15,000	37,500
75,000	18,750	15,500	2,250	17,750	22,500	18,750	41,250
100,000	25,000	15,500	3,000	18,500	22,500	25,000	47,500
174,000	43,500	15,500	5,220	20,720	22,500	43,500	66,000
200,000	50,000	15,500	6,000	21,500	22,500	43,500 (21.75%)	Same
264,000	66,000	15,500	7,920	23,420	22,500	43,500 (16.47%)	Same
330,000	66,000 (20%)	15,500	9,900	25,400	22,500	43,500 (13.28%)	Same
450,000	Same	15,500	13,500	29,000	22,500	Same	Same

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

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