

Feature	401(k)	SIMPLE IRA	Maryland Saves
Basic Plan Type	Defined Contribution	IRA Based	IRA Based
Who generally adopts	Corps, partnerships, LLC	Sole prop, partnerships, LLC, corps with less than 100 EEs	Business without a formal plan—business must have at least 1 W2 EE and use a payroll service
Sponsor another plan	Yes	No	N/A
Who can contribute	Employees and employer (optional)	Employee and employer	Employee only
Cost index	Low to high depending upon design	Low	Low—all paid by employee
Maximum employee deferral	\$19,500	\$13,000	\$6,000 (Roth only)
Employer contributions	Discretionary up to \$54,000 total	Required 3% match or 2% for all eligible EEs	N/A
Catch up (age 50 and over)	\$6,500	\$3,000	\$1,000
Employee eligibility	Age can't exceed 21, service can't exceed 1 year, may exclude union employees	All employees earning \$5,000 for any 2 years, NO age limit, may exclude union employees	All employee receiving W2
Who directs investments	Employer/trustee or individual	Individual	Individual—limited investments options through VestWell
IRS reporting	Form 5500	None	None—individual can deduct on tax return
Establishment deadline	Last day of plan year	Any date between January 1 and October 1	Must establish by 12/31/2022
Complexity index	High	Low	Low
Loans	Yes	No	Allows for \$1,000 emergency withdrawal
Roth contributions	Yes	No	Only
Funding deadline	Deferrals must be deposited as soon as administratively possible, employer contributions must be made prior to corp tax filing	Deferrals must be deposited as soon as administratively possible, employer contributions must be made prior to corp tax filing	Payroll deferral, would assume funding is as soon as administratively possible.
Minimum vesting	Immediate on deferral, employer contributions can have vesting	Immediate	Immediate

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