

Employer Retirement Plan Comparison

Plan Type	Eligibility	Contribution Limits (2025)	Employer Contributions	Tax Treatment	Vesting	Best For
401(k) Plan	Private company employees	\$24,500 employee deferral; \$8,000 catch-up for 50+; \$11,250 super catchup for 60+	Optional; matching or profit-sharing	Pre-tax or Roth (after-tax)	Varies; employer contributions may vest	Businesses of all sizes seeking a structured, high-contribution plan
SIMPLE IRA	Businesses with ≤100 employees	\$17,000 employee deferral; \$4,000 catch-up for 50+; \$5,250 super catchup for 60+	Required; 3% match or 2% non-elective	Pre-tax contributions; tax-deferred growth	Immediate	Small businesses seeking a low-admin, tax-advantaged plan
SEP IRA	Employers of any size, self-employed individuals	Employer can contribute up to 25% of compensation, up to \$72,000	Required but flexible; no employee contributions	Pre-tax contributions; tax-deferred growth	Immediate	Self-employed individuals, small businesses with few employees
Defined Benefit Pension	Employers providing structured retirement income	Actuarial-based contribution limits	Required; based on funding projections	Pre-tax contributions; tax-deferred growth	Varies; per plan terms	Businesses wanting to provide guaranteed retirement income
Profit-Sharing Plan	Employers of any size	Employer can contribute up to 25% of compensation, up to \$72,000	Discretionary	Pre-tax contributions; tax-deferred growth	Varies; employer determines	Companies wanting flexible contributions tied to performance

Choosing the Right Plan: Consider company size, employee needs, tax benefits, and administrative complexity. Consulting with a FCM financial advisor can help determine the best option. Contact us today at 720-927-3100 or info@futurecapitalco.com