

QUICK GUIDE TO: THE SIMPLE IRA

CONTRIBUTIONS & MATCHING

- Contributions up to **\$13,000** for 2019 and **\$13,500** for 2020.
- Catch-Up contributions up to **\$3,000** for 2019 and will remain the same for 2020.
- Employer can choose from a **2% contribution** to all eligible employees or a **3% matching contribution**.

TAX ADVANTAGES

- Contributions from the business are deductible on the employer's income tax return.
- Elective contributions and investment gains enjoy tax deferral until distribution.
- **Roth option NOT available.**

FILING & COMPLIANCE

- Employer does not need to file a 5500.
- Discrimination testing is not required.