



QUICK GUIDE TO: TRADITIONAL 401(K)S

CONTRIBUTIONS & MATCHING

- Contributions up to **\$19,500** for 2020 and 2021.
- Catch-Up contributions up to **\$6,500** for both 2020 and 2021.
- The ability to create a matching program to your company's goals.
- The ability to creating a vesting schedule to your company's goals.

TAX ADVANTAGES

- Employer contributions are deductible on the employer's federal income tax return.
- Elective contributions and investment gains might enjoy tax deferral until distribution.
- Offers both pre-tax & Roth options.

FILING & COMPLIANCE

- Requires annual 5500 filing.
- Compliance requirements must be met.
- Must offer to all qualifying employees.