



SIMPLE IRA

A SIMPLE IRA (Savings Incentive Match Plan for Employees Individual Retirement Account) can help attract and retain employees, as it demonstrates that the employer is investing in their employees' future.

FCSU Financial®
First Catholic Slovak Union
6611 Rockside Rd, #300
Independence, OH 44131
annuity@fcsu.com | www.fcsu.com
800.533.6682

Always check the latest IRS guidelines or consult with a tax professional for the most accurate and personalized advice.



DESIGNED FOR SMALL BUSINESSES:

- Specifically for small businesses with 100 or fewer employees, allowing for retirement benefits without the complexity of traditional plans.

EMPLOYEE AND EMPLOYER CONTRIBUTIONS:

- Employee Contributions: Employees can defer up to \$17,000 in 2026, or \$21,000 if age 50 or older (including catch-up contributions).
- Employer Contributions: Employers must either match contributions up to 3% or make a non-elective contribution of 2% of each eligible employee's compensation.

TAX BENEFITS:

- Employee contributions are pre-tax, reducing taxable income. Employer contributions are tax-deductible, and earnings grow tax-deferred until withdrawn.

ELIGIBILITY:

- Employees must earn at least \$5,000 in two prior years and expect the same in the current year.

WITHDRAWALS:

- Taxed as ordinary income, with penalties for early withdrawals before 59½.

NO COMPLEX ADMINISTRATION:

- Easier to administer than 401(k) plans, with less paperwork and fewer compliance requirements and full ownership for employees over their accounts.
- Unlike some other retirement plans, such as 401(k)s, SIMPLE IRAs do not require the employer to file annual reports with the IRS, making compliance easier.