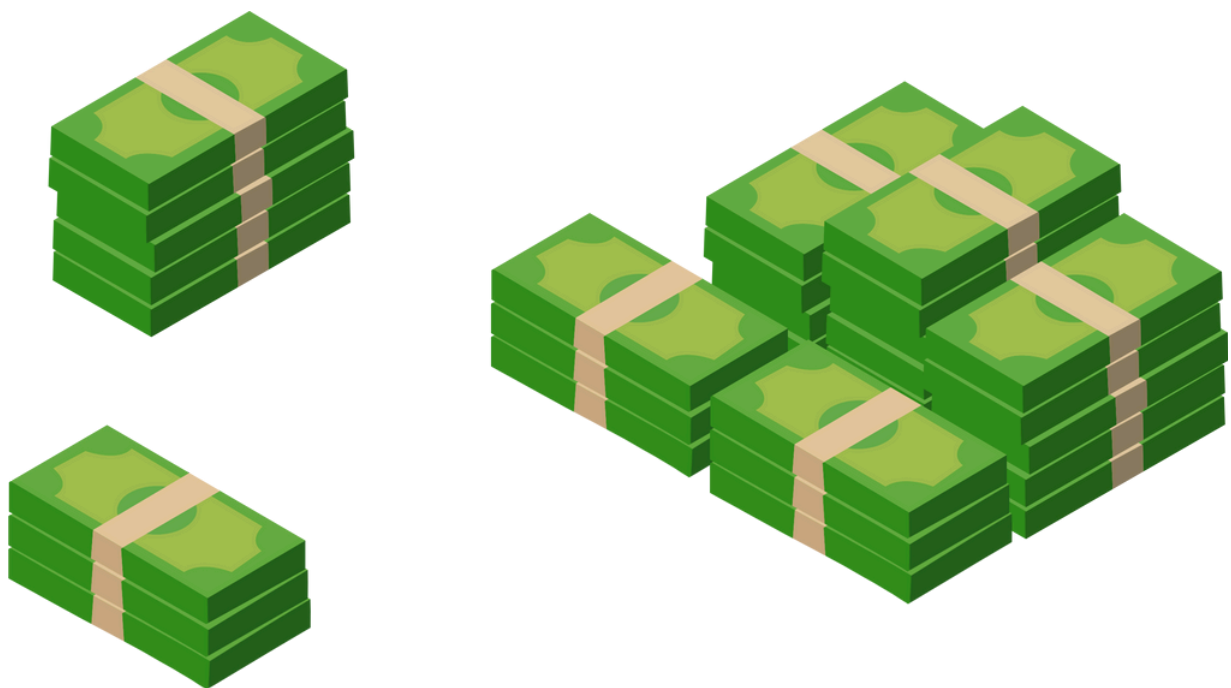


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Building your wealth with *Wisely Advised*

SIMPLE IRA

Employer Edition



What Is A SIMPLE IRA?

A Savings Incentive Match Plan for Employees

(SIMPLE) Allows employees and employers to contribute to traditional IRAs set up for employees. It is ideally suited as a start-up retirement savings plan for small employers not currently sponsoring a group retirement plan.

Benefits Of A SIMPLE IRA

- Available to any small business with 100 or fewer employees.
- Easy to set up
- Employees & employers may contribute
- The employee is always 100% vested
- Easily Diversifiable
- Control & Flexibility
- Tax deductible
- Helps build wealth for retirement

How Does A SIMPLE IRA Work?

Maximum yearly employee contribution: \$16,000

Catch Up Contribution (Age 50+): \$3,500

**2024 limits, subject to change.*

Option 1:

An employer sets up a SIMPLE IRA plan for its employees and can match dollar-for-dollar up to 3% of each employee's compensation. Under this option if an employee does not contribute to his SIMPLE IRA then that employee does not receive any matching employer contribution.

- Compensation of \$50,000
- Employee Contributes 5%
- Employer matching contribution 3%

Employee Compensation	Employee Contribution	Total Employee Contribution	Employer Match 3%	End Of Year SIMPLE IRA Balance
\$50,000	5%	\$2,500	\$1,500	\$4,000

Option 2:

An employer sets up a SIMPLE IRA plan for its employees. Company has a SIMPLE IRA plan for its employees and will make a 2% nonelective contribution for each of them. Under this option, even if an employee **does not** contribute to their SIMPLE IRA, that employee would still receive an employer contribution to their SIMPLE IRA equal to 2% of compensation.

- Compensation of \$50,000
- Employee Contribution 0%
- Employer matching contribution 2%

	Employee Compensation	Contribution	Total	Employer Contribution	End Of Year SIMPLE IRA Balance
Employee 1 Contributes to plan	\$50,000	5%	\$2,500	2%	\$3,500
Employee 2 Does not Contribute to plan	\$50,000	0%	\$0	2%	\$1,000

Business Owner Benefits

Affordability:

SIMPLE IRAs are low-cost to establish and maintain compared to other retirement plans like 401(k)s. This makes them accessible to small businesses with limited financial resources.

Simplified Administration:

SIMPLE IRAs have fewer administrative requirements and lower costs than some other retirement plans, making them easy for businesses to manage.

Employee Retainment:

78% of employees are more inclined to remain with their present organization due to the benefits it provides.

Top Line Deduction:

To maximize your business's tax benefits, you can deduct the full extent of contributions made to your employees' SIMPLE IRAs on your tax return. This deduction encompasses all contributions made to these retirement accounts, helping you reduce your taxable income and potentially lowering your overall tax liability.

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Conclusion

At Wisely Advised, we specialize in building strategic financial plans tailored to the needs of businesses. As a Fiduciary on behalf of our clients, we help manage and allocate our client's retirement funds and assist with financial planning to ensure retirement needs are met. We strive to discover what our client's needs are, and then work together to help achieve those financial goals.

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