



Which retirement plan is right for you and your employees?

Use this guide to help you select the best option by comparing key features, requirements, and benefits that come with the different plan types administered by Vanguard.

	TRADITIONAL 401(K) VANGUARD RETIREMENT PLAN ACCESS™	INDIVIDUAL 401(K)	SEP-IRA	SIMPLE IRA
BENEFITS	Best option if you're looking to offer your employees all the tax, savings, and retirement benefits of a typical 401(k) plan.	Excellent method to maximize tax deferral. Can contribute as employer and employee. Vanguard is one of the few investment companies to offer a Roth 401(k) option.	Works well for business owners who prefer to provide a retirement benefit to all employees (including themselves) by making solely employer contributions.	Great starter plan that encourages contributions from employees.
PARTICIPANTS	All eligible employees.	Sole proprietors or partners with no common-law employees.	Anyone.	Business owners with 100 or fewer employees.
EMPLOYER CONTRIBUTION LIMITS	For 2023, employer plus employee contribution limit is \$66,000 (\$73,500 if the employee is age 50 or older). Contributions are deductible as a business expense and are not required every year.	For 2023, employer plus employee contribution limit is \$66,000 (\$73,500 if the employee is age 50 or older). Contributions are deductible as a business expense and are not required every year.	For 2023, up to 25% of the employee's compensation or \$66,000, whichever is less. Contributions are deductible as a business expense and are not required every year.	Option 1: Match up to 3% of each employee's compensation or \$15,500 for 2023, whichever is less (not subject to the annual compensation limit). Option 2: Contribute 2% of each eligible employee's compensation up to \$6,600 for 2023. Contributions are deductible as a business expense.
EMPLOYEE CONTRIBUTION LIMITS Under age 50	\$22,500 Cannot exceed 100% of compensation.	\$22,500 Cannot exceed 100% of compensation.	A personal contribution of up to \$6,500 into an individual SEP, traditional IRA, or Roth IRA.	\$15,500 Employees are not required to contribute in any given year.
EMPLOYEE CONTRIBUTION LIMITS Age 50 or older	\$30,000 Cannot exceed 100% of compensation.	\$30,000 Cannot exceed 100% of compensation.	A personal contribution of up to \$7,500 into an individual SEP, traditional IRA, or Roth IRA.	\$19,000 Employees are not required to contribute in any given year.
INVESTMENT CHOICES	Vanguard mutual funds. Approximately 12,000 non-Vanguard funds.* Company stock and self-directed brokerage accounts.	Vanguard mutual funds.	Vanguard mutual funds, plus ETFs and individual securities through Vanguard Brokerage Services®.	Vanguard mutual funds.
ELIGIBILITY	Based on employer plan rules. Generally, must be offered to all employees at least 21 years of age who have completed a year of service with the employer.	No age or income restrictions.	Generally, employees must be allowed to participate if they are age 21 or older, earn at least \$650 annually, and have worked for the same employer in at least three of the past five years.	No age restrictions. Employees must earn at least \$5,000 during any two preceding years and expect to earn at least \$5,000 in the current year. Employers can specify a lower minimum for current or preceding year compensation.
FILING REQUIREMENTS	Requires filing with IRS.	Requires filing with IRS.	No IRS reporting required.	No IRS reporting required.

Contact Vanguard at 800-662-2003 for more information.
For information about Vanguard Retirement Plan Access™, please call 888-684-4015.

*For plans with \$2 million or more in assets.

For more information, visit vanguard.com or call 800-523-1036 for Vanguard funds and 800-662-2003 for non-Vanguard funds offered through Vanguard Brokerage Services®, to obtain a prospectus or, if available, a summary prospectus. Visit our website, call 800-523-1036, or contact your broker to obtain a prospectus for Vanguard ETF® Shares. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.

Vanguard ETF Shares are not redeemable with the issuing fund other than in very large aggregations worth millions of dollars. Instead, investors must buy and sell Vanguard ETF Shares in the secondary market and hold those shares in a brokerage account. In doing so, the investor may incur brokerage commissions and may pay more than net asset value when buying and receive less than net asset value when selling.

All investing is subject to risk, including the possible loss of the money you invest. The information contained herein does not constitute tax advice and cannot be used by any person to avoid tax penalties that may be imposed under the Internal Revenue Code. Each person should consult an independent tax advisor about their individual situation before investing.

Retirement plan recordkeeping and administrative services are provided by The Vanguard Group, Inc. (VGI). VGI has entered into an agreement with Ascensus, Inc., to provide certain plan recordkeeping and administrative services on its behalf. Ascensus is not affiliated with Vanguard Marketing Corporation, The Vanguard Group, Inc., or any of its affiliates.

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