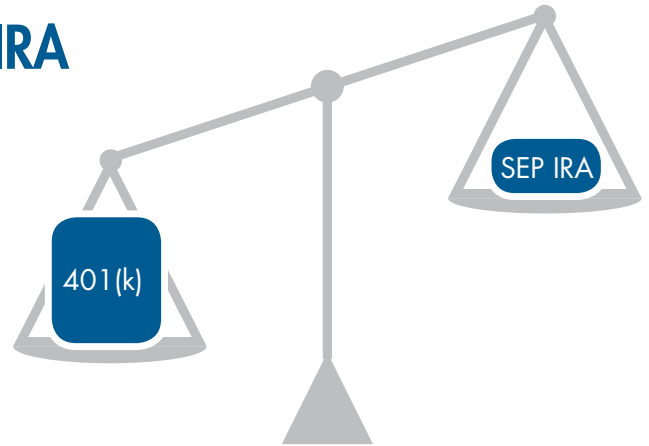


# The Case For a 401(k) Plan

Why it beats a SEP IRA over 95% of the time.<sup>1</sup>

## 401(k) Advantages over the SEP IRA

- Larger contributions (95% of the time)<sup>1</sup>
- Loans
- Hardship withdrawals
- Salary deferrals
- Catch-up provisions for age 50+
- ROTH contributions



It gets better! These plans are available to all business types:  
Sole Proprietors, Partnerships, LLC, S Corp., Corporations, etc.

\$50,000, W-2 Income, Age 50			\$100,000, W-2 Income, Age 50		
S Corp.	SEP IRA	401(k)	S Corp.	SEP IRA	401(k)
Employee Contribution	\$ 0	\$18,000	Employee Contribution	\$ 0	\$ 18,000
Employer Contribution	\$12,500	\$12,500	Employer Contribution	\$ 25,000	\$ 25,000
Catch-up Contribution	\$ 0	\$ 6,000	Catch-up Contribution	\$ 0	\$ 6,000
<b>Total:</b>	<b>\$12,500</b>	<b>\$36,500</b>	<b>Total:</b>	<b>\$25,000</b>	<b>\$59,000</b>

**192%**  
More than SEP!

**136%**  
More than SEP!

<sup>1</sup>) A 401(k) will **always** allow for a larger contribution than a SEP IRA if the client is 50 or older due to the catch-up provision. A 401(k) will **always** beat a SEP IRA if the client makes less than \$212,000 in W-2 income. 95% of Americans make less than \$212,000; United States Census Bureau, Income and Poverty in the United States: 2014. Neither American National Insurance Company nor its agents give tax advice. Clients should contact their attorney or tax advisor on their specific situation. American National Insurance Company, Galveston, Texas.

