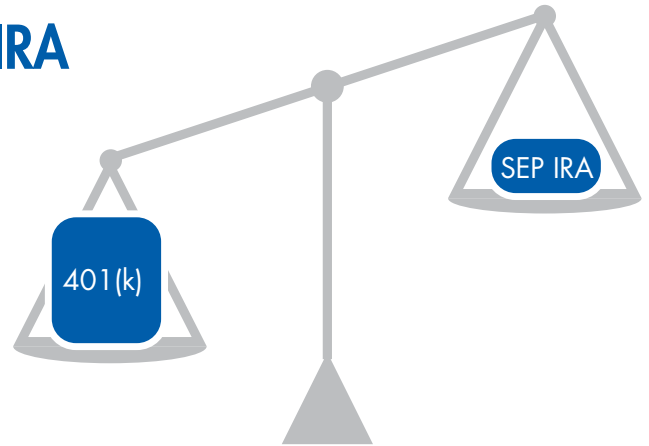


The Case for a 401(k) Plan

Why it beats a SEP IRA over 95% of the time.¹

401(k) Advantages over the SEP IRA

- Larger contributions (95% of the time)¹
- Loans
- Hardship withdrawals
- Salary deferrals
- Larger catch-up provisions²
- ROTH contributions



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

\$50,000, W-2 Income, Age 50			\$150,000, W-2 Income, Age 50		
S Corp.	SEP IRA	401(k)	S Corp.	SEP IRA	401(k)
Employee Contribution	\$ 0	\$19,500	Employee Contribution	\$ 0	\$ 19,500
Employer Contribution	\$12,500	\$12,500	Employer Contribution	\$ 37,500	\$ 37,500
Catch-up Contribution	\$ 0	\$ 6,500	Catch-up Contribution	\$ 0	\$ 6,500
Total:	\$12,500	\$38,500	Total:	\$37,500	\$63,500
		208% More than SEP!			69% More than SEP!

1) A 401(k) will always allow for a larger contribution than a SEP IRA if the client is 50 or older due to the larger catch-up provision. A 401(k) will always beat a SEP IRA if the client makes less than \$220,000 in W-2 income. 95% of Americans make less than \$220,000; United States Census Bureau, Income and Poverty in the United States: 2014 2) The catch-up provision for a 401(k) plan is \$6,500 vs. \$1,000 for an IRA. 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.

