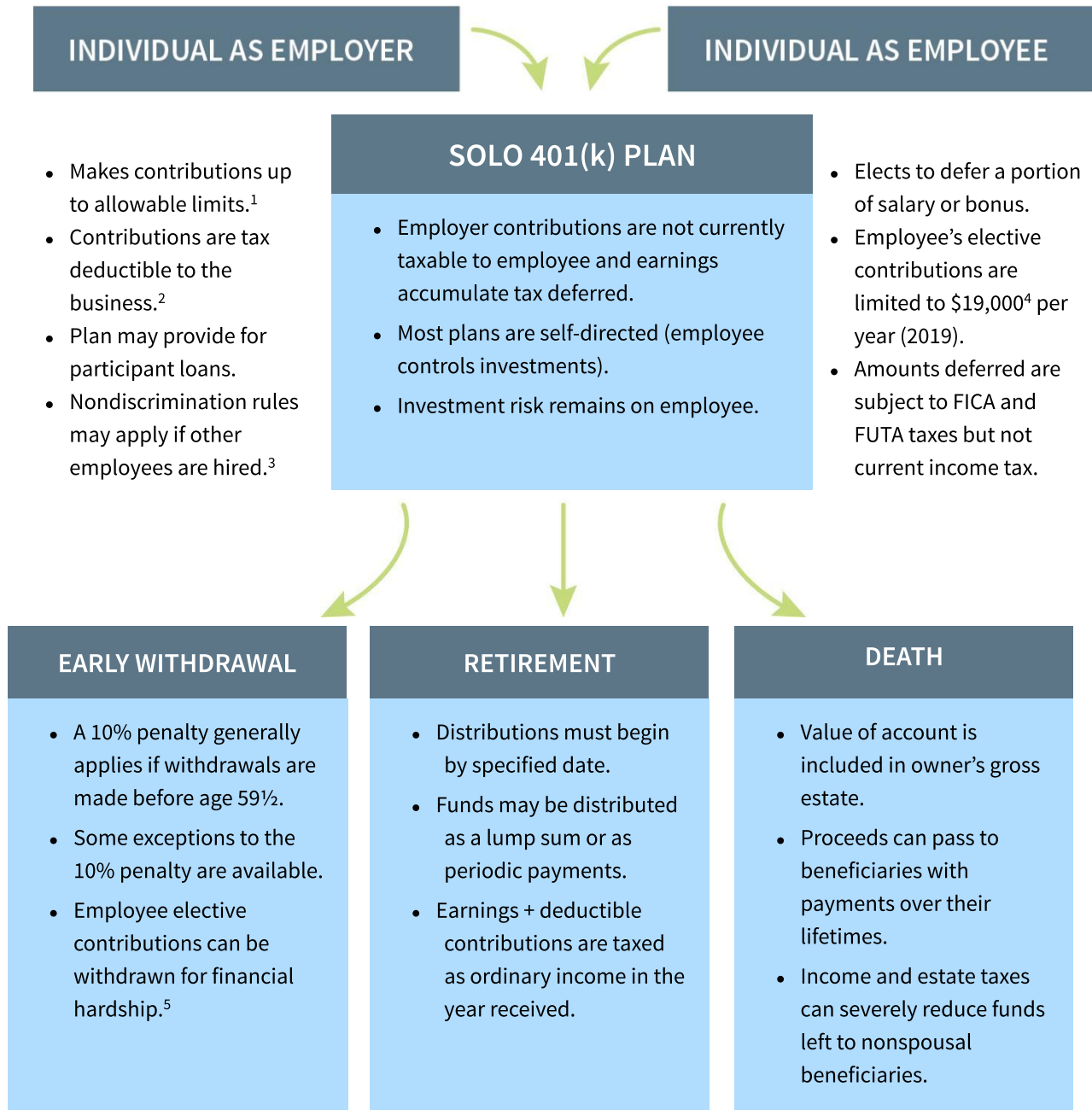


# How a Solo 401(k) Plan Works



<sup>1</sup> For 2019, the allocation total of employer contributions, forfeitures and employee deferrals to a participant's account may not exceed the lesser of 100% of compensation or \$56,000.

<sup>2</sup> The total deduction is limited to 25% of covered payroll.

<sup>3</sup> Plans covering only the business owner (or the owner and spouse) effectively sidestep the nondiscrimination issue.

<sup>4</sup> In 2019, for those age 50 and older, additional "catch-up" contributions of \$6,000 may be made.

<sup>5</sup> If provided for by the plan; specific requirements may apply.