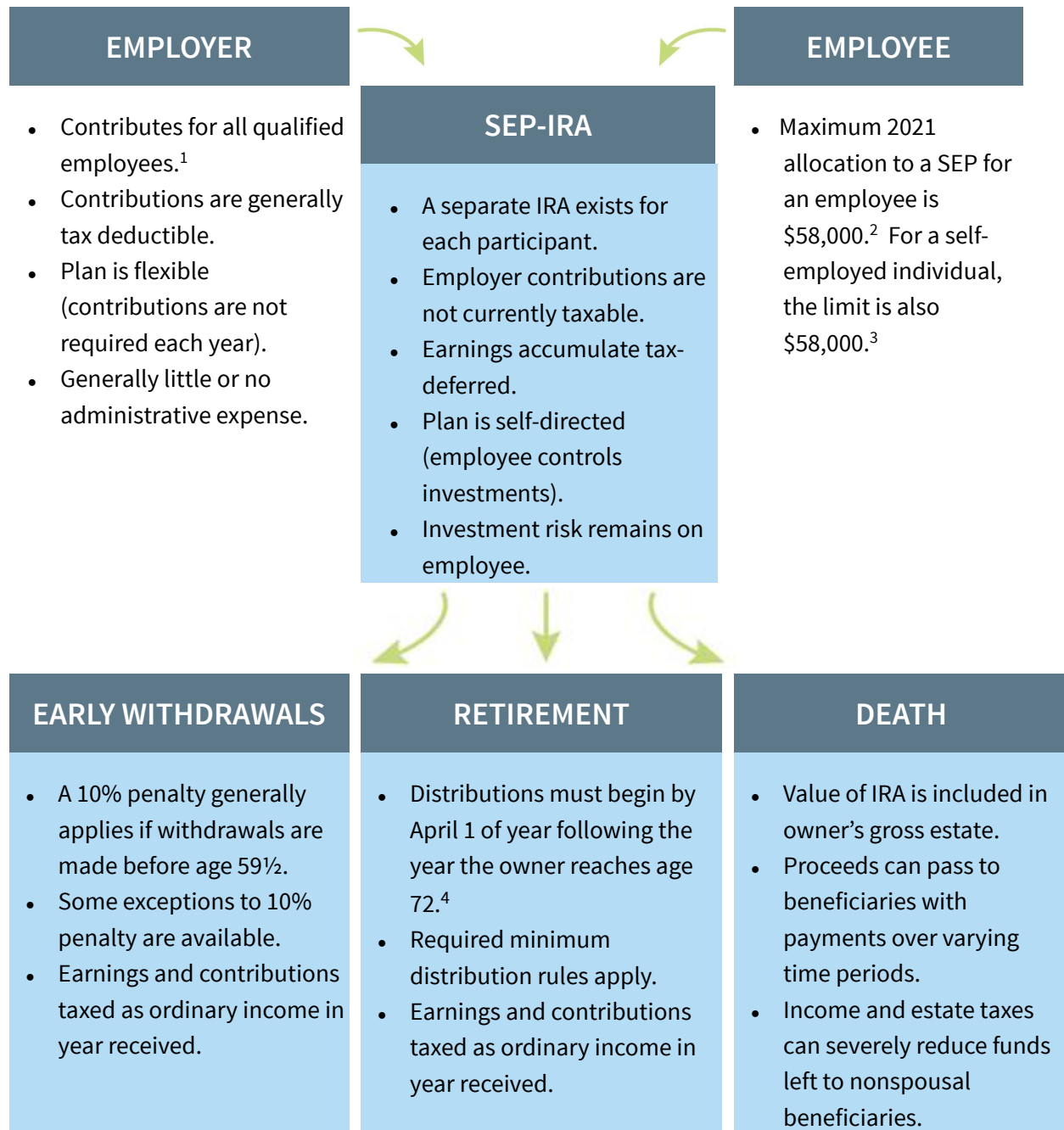


# How a SEP-IRA Works



<sup>1</sup> Any employee at least 21 years of age who has performed "service" in three of the last five years, and whose total compensation exceeds \$650 for the year.

<sup>2</sup> For an employee, contributions may not exceed the lesser of 25% of compensation (maximum of \$290,000) or \$58,000.

<sup>3</sup> For a self-employed individual, contributions may not exceed the lesser of 20% of compensation (maximum of \$290,000) or \$58,000.

<sup>4</sup> Applies to distributions required to be made after December 31, 2019, to individuals who reach age 70½ after that date.