

## **SIMPLIFIED EMPLOYEE PENSION PLANS (SEP PLANS)**

**A Simplified Employee Pension (SEP) allows an employer to make contributions to individual IRA contracts on behalf of employees. Generally, the same contribution, as a percentage of pay, must be made for all employees. The appeal of this type of plan is its simplicity. However, if there are a large number of employees, the employer may want to explore the flexibility of other types of plans.**