

401k Plans

1. Employees can't be forced to take the plan
2. Amounts deferred are not included in the employees income
3. Growth is tax deferred
4. Typically has matching employer contributions
5. Must be part of a profit sharing plan or stock bonus plan
6. 10% penalty if money is taken before age 59 ½
7. Exceptions to the above are:
 - Death
 - Disability
 - Retirement after age 59 ½