

March - 2025



# Retirement Savings Options

***For small businesses***



**CEI**

# Presented by:



## Maine SBDC at USM

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## Webinar Details

- This webinar is being recorded and will be posted on the SBDC YouTube channel
- You will be sent the slides from this presentation in a follow up email
- Please put questions in the chat, we will also have time at the end for questions



# The Maine SBDC

**No-cost, confidential business advising for  
aspiring and experienced Maine business owners**

- Business Planning and Startups
- Business Transitions and Exits
- Credit and Financing
- Financial Analysis
- Marketing and Sales
- Operations Management

# Coastal Enterprises Inc

**Flexible financing and business advising options  
to help you build the business you love**



- Flexible Financing
- One on One Business Advising
- Webinars and Informational Sessions
- Business Lab Cohorts
- Workforce Advising
- Climate Resilience

# Agenda

Why are retirement savings important?

What is your situation?

What are your options?

Complying with Maine's state law

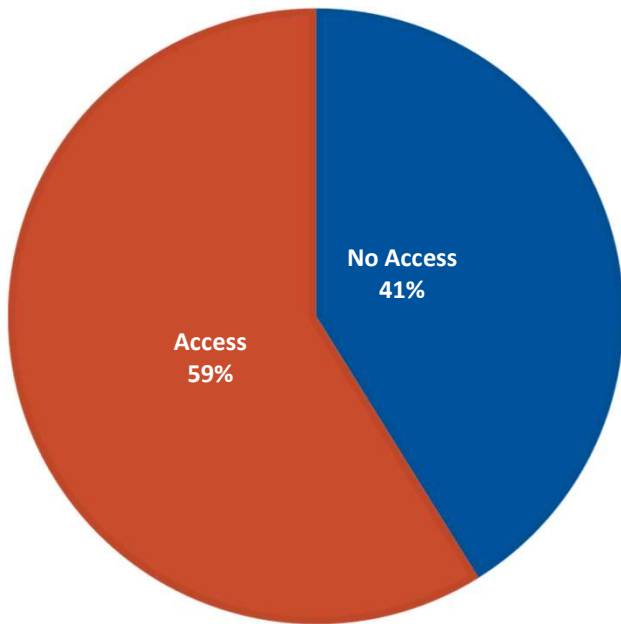
Questions and Answers



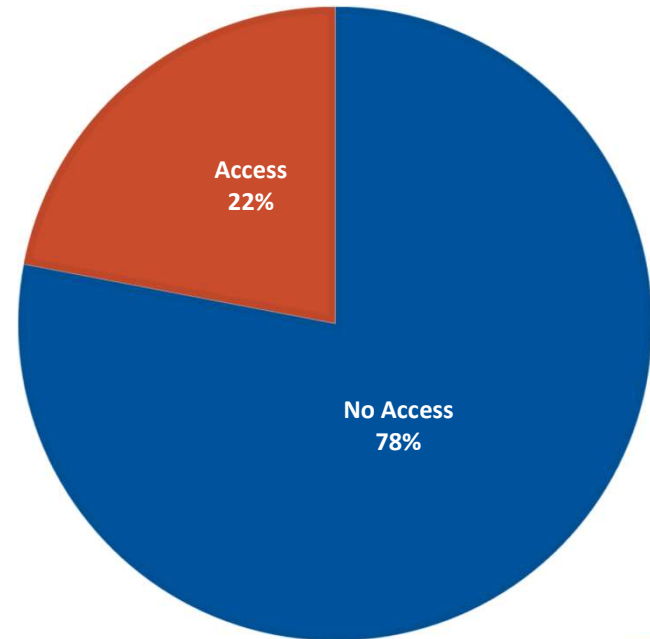
Maine small business employees with access to retirement savings plans: 22%

**Private Employers**

**Employee access to Retirement Savings**  
*All Businesses*



**Employee access to Retirement Savings**  
*Small Businesses*



What box best describes your situation?





I am looking  
for a plan for  
myself

### Ideal for Solopreneurs SEP IRA

I am looking for  
a plan both my  
employees and  
myself

- Any business size - ideal for solopreneurs or businesses with few employees
- Low start up costs and fees
- Only the employer contributes - up to 25% of employee's compensation
- Flexible annual contributions, can change depending on cash flow
- Contributions must be the same for all employees
- No employer tax filing requirements
- Contributions to the SEP IRA are tax deductible
- Withdrawals are taxable
- 25% of salary or \$70,000 limit



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I am looking  
for a plan for  
myself

## Ideal for Solopreneurs Roth IRA

- Separate from your business
- Fees vary on account, provider, and investments
- You must contribute personally from your bank account, businesses cannot contribute
- Flexible contributions, can change at any time
- Post-tax contributions, non-deductible
- Withdrawal is tax free
- Can be set up at your bank, online provider, or using the state program MERIT
- 2025 Contribution limits
  - \$7,000 if under 50 years old
  - \$8,000 if 50 years or older

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I am looking  
for a plan for  
my employees

## Ideal for Employees & Owners SIMPLE IRA

I am looking for  
a plan both my  
employees and  
myself

- For businesses with  $\leq 100$  employees
- Low start up costs and fees
- Employer Contributions
  - Matching contribution up to 3% of compensation
  - 2% nonelective contribution for each eligible employee
- Employees may elect to contribute
- No employer tax filing requirement
- Contribution limit of \$16,500
  - \$20,000 for 50+
- Possibly set up through your payroll provider/bank



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I do not  
currently offer  
a plan and  
want to follow  
state law

### MERIT: Maine Retirement Investment Trust

- Roth IRA offered through new state program
- Mandatory for businesses
  - 5 or more employees
  - No retirement savings plan
  - In business for 2+ years
- Can also be used to set up personal Roth IRA
- No start-up costs, low account fees, very easy set-up, limited investment options
- Only employee contributes, default of 5% of salary

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## Your Turn ....

### What questions are on your mind?

- Contact information
  - Cameron Monaghan:  
[cameron.monaghan@ceimaine.org](mailto:cameron.monaghan@ceimaine.org)
- Links/Resources
  - SEP IRA: [Simplified Employee Pension plan \(SEP\) | Internal Revenue Service](#)
  - Roth IRA: [Roth IRAs | Internal Revenue Service](#)
    - MERIT: [Home – MeritSaves](#)
  - SIMPLE IRA: [SIMPLE IRA plan | Internal Revenue Service](#)

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