IRS Retirement Plans

Plan types, Internal Revenue Code sections, exact employer and participant populations, and which plans entities use most often

Purpose. This reference consolidates the principal tax-favored retirement arrangements recognized by the Internal Revenue Service. It distinguishes true plan types from features and operating structures, then summarizes employer adoption using the latest comparable federal plan-year data available.

QUICK CONCLUSION

The 401(k) dominates private employment; traditional defined-benefit pensions remain central in state and local government; 403(b) plans serve eligible schools and nonprofit organizations; governmental 457(b) plans usually supplement public pensions; SIMPLE IRAs and SEPs serve the smallest employers.

How to read this document

“Primary IRC section” identifies the central federal tax provision, not every Code provision governing qualification, deductions, distributions, reporting, nondiscrimination, or fiduciary conduct. “Who it applies to” describes the lawful sponsor and participant population at a practical level; every actual plan is also controlled by its written terms.

Important scope boundary

The Code does not provide one official closed list bearing all commercial plan names. Some labels - Roth, safe harbor, cash balance, solo 401(k), pooled employer plan, and church plan - describe a tax treatment, design, or legal status rather than a separate base plan.

1. Individual and IRA-based arrangements

Arrangement	Primary IRC section	Who may establish or use it
Traditional IRA	§408(a) account; §408(b) annuity	Individuals with taxable compensation; a spousal IRA may be funded on a joint return. The contribution may be nondeductible depending on income and workplace-plan coverage.
Roth IRA	§408A	Individuals with taxable compensation whose modified adjusted gross income is within the applicable contribution limits.
Rollover IRA	§408; rollover rules in §§402(c), 403(b)(8), 408(d)(3), 457(e)(16)	A recipient moving an eligible distribution from another plan or IRA. This is generally an IRA use case, not a separate statutory plan.
Payroll-deduction IRA	§408 or §408A	Employees of any employer that facilitates deposits without adopting an employer retirement plan. Each employee owns the IRA.
SEP	§408(k)	Any employer, including a corporation, nonprofit, partnership, sole proprietor, or self-employed person. Employer contributions go to SEP-IRAs for eligible employees and owners.
SARSEP	§408(k)(6)	Only an employer with a SARSEP established before 1997 may continue it. New SARSEPs cannot be created; later-hired eligible employees generally must be included.
SIMPLE IRA	§408(p)	Generally an employer with 100 or fewer employees that does not maintain another plan for the year, subject to statutory exceptions. Self-employed people can qualify.

Sources: IRS Types of Retirement Plans; IRS SEP FAQs; IRS SARSEP FAQs; IRS SIMPLE IRA FAQs.

2. Qualified employer plans

Plan or design	Primary IRC section	Who may sponsor or participate
Traditional defined-benefit pension	§401(a); limits §415(b)	Private, tax-exempt, and state/local governmental employers; self-employed owners through their business. Promises a formula-based benefit.
Cash-balance pension	§401(a); §§411(a)(13), 411(b)(5)	The same employers that can maintain a qualified defined-benefit plan. Legally defined benefit despite a hypothetical account presentation.
Fully insured pension	§401(a), §412(e)(3)	A qualified defined-benefit employer using qualifying insurance or annuity contracts; a funding design rather than a new base category.
Profit-sharing plan	§401(a)	Any qualifying employer, including a self-employed business. Contributions are usually discretionary; actual profits are not required.
Money-purchase pension	§401(a)	Any qualifying employer. A defined-contribution pension with the contribution stated in the plan document.
Stock-bonus plan	§401(a)	A qualifying employer, usually a corporation, providing benefits principally through employer stock.
ESOP	§401(a); §409; §4975(e)(7)	Generally a corporate employer adopting a plan designed to invest primarily in qualifying employer securities.

Sources: IRS Retirement Plan Definitions; IRS ESOP Guidance.

3. The 401(k) family

Plan or feature	Primary IRC section	Applicable sponsor or participant
Traditional 401(k)	§§401(a), 401(k)	Generally private and tax-exempt employers, including self-employed businesses. State/local governments generally cannot establish new plans, apart from grandfathering and narrow exceptions.
Safe-harbor 401(k)	§401(k)(12) or (13); corresponding §401(m)	An eligible 401(k) sponsor that makes prescribed vested employer contributions and follows the applicable plan rules.
QACA	§§401(k)(13), 401(m)(12)	A 401(k) using qualifying automatic enrollment, escalation, and employer contributions.
EACA	§414(w)	A 401(k) or certain other deferral plans using specified automatic contribution rules. It is a feature, not an independent plan.
SIMPLE 401(k)	§401(k)(11)	Generally an employer with 100 or fewer employees meeting the exclusivity and mandatory employer-contribution rules.
Solo or one-participant 401(k)	§§401(a), 401(k)	A business owner with no common-law employees other than the owner's spouse. Not a separate Code category.
Keogh or H.R. 10	Usually §401(a), possibly §401(k)	Older label for a qualified plan maintained by a self-employed person or partnership; not a separate modern tax category.

Source: IRS Choosing a Retirement Plan: Plan Options.

4. Schools, charities, churches, and ministers

Plan	Primary IRC section	Who may participate
403(b) tax-sheltered annuity	§403(b)	Employees of public-school systems; employees of §501(c)(3) organizations; and qualifying ministers, including certain self-employed ministers for ministerial earnings.
403(b)(9) retirement-income account	§§403(b)(9), 414(e)	Church employees and qualifying ministers through a church-related retirement-income account.
Qualified annuity plan	§403(a), with §401(a) qualification rules	Employees covered by an employer's qualified plan funded through annuity contracts. Different from a §403(b) plan and relatively uncommon.

> The controlling question for a 403(b) is the employer's legal status and the employee category - not simply whether the organization performs education or healthcare work.

Sources: IRS 403(b) Information; IRS Government Retirement Plans Toolkit.

5. Governmental and tax-exempt deferred compensation

Arrangement	Primary IRC section	Applicable employer or participant
Governmental 457(b)	§457(b)	A state, political subdivision, or state/local agency or instrumentality for employees and, if permitted, independent contractors. The federal government cannot sponsor a §457 plan.
Tax-exempt 457(b)	§457(b)	An eligible nongovernmental §501 tax-exempt entity. In practice commonly limited to a select management or highly compensated group because the arrangement generally remains unfunded. Regulatory exclusions apply to churches and qualified church-controlled organizations.
Ineligible deferred compensation	§457(f)	State/local governmental and eligible tax-exempt employers whose arrangements do not satisfy §457(b); commonly used for selected executives.
Governmental excess-benefit arrangement	§415(m)	A state/local governmental employer providing benefits above §415 limits. It is not itself a §401(a)-qualified plan.

Sources: IRS IRC 457(b) Deferred Compensation Plans; IRS Government Retirement Plans Toolkit.

6. Federal, multiemployer, and pooled structures

Structure or system	Primary authority	Who it covers
Thrift Savings Plan	IRC §7701(j); 5 U.S.C. chapter 84	Eligible federal civilian employees and members of the uniformed services. Similar to a 401(k), but not an ordinary private-employer 401(k).
Federal pensions: FERS and CSRS	5 U.S.C.; governmental status §414(d)	Covered federal employees under the applicable statutory system.
Multiemployer plan	§414(f)	A collectively bargained plan maintained under agreements involving multiple unrelated employers.
Multiple-employer plan (MEP)	§413(c)	One plan covering employees of two or more unrelated employers; not necessarily collectively bargained.
Pooled employer plan (PEP)	§413(e); ERISA §3(43)	Unrelated employers participating through a registered pooled plan provider, usually in a defined-contribution plan.
Collectively bargained multiple-employer plan	§413(b)	Employees covered under qualifying collective-bargaining arrangements involving multiple employers.
Church plan	§414(e)	Employees of a church, convention or association of churches, and qualifying church-related organizations. May use a §401(a) or §403(b) design.
Governmental plan	§414(d)	Employees of qualifying federal, state, local, tribal, or related governmental entities. This section defines status, not a contribution formula.

Sources: IRS Government Retirement Plans Toolkit; U.S. Department of Labor Form 5500 Changes.

7. Features that are not separate base plans

Feature or label	Primary section	What it actually is
Designated Roth account	§402A	After-tax feature inside a 401(k), 403(b), or governmental 457(b); not a Roth IRA.
After-tax employee contributions	Principally §§401(a), 401(m), 402, 415	A contribution type inside a qualified plan.
Matching contributions	Principally §§401(m), 401(a)	Employer contribution formula, not a separate plan.
Target-benefit plan	§401(a)	A money-purchase defined-contribution design.
Nonqualified executive deferral	§409A	Compensation tax regime for private/taxable employers; not a qualified retirement plan.
Top-hat plan	ERISA classification; often §409A or §457	Unfunded executive arrangement for a select management/highly compensated group.
Retiree medical account	§401(h)	Medical-benefit account attached to a qualified pension or annuity plan.
Deemed IRA	§408(q)	An IRA program maintained within an eligible employer plan; the IRA remains governed by IRA rules.

8. Which plans are most popular?

Popularity must be defined carefully. The best comparable federal counts for private plans come from Form 5500 filings. They do not capture every arrangement: the Department of Labor's 2023 bulletin excludes one-participant plans, and its 403(b) count excludes certain 403(b) arrangements that are exempt from filing.

2023 private-plan category	Plans	Total participants	Active participants	Assets
401(k)-type	724,720	105.214 million	81.626 million	$7.918 trillion
All private defined contribution	790,610	126.182 million	96.369 million	$9.407 trillion
403(b), reporting plans only	19,297	10.502 million	7.144 million	$767.1 billion
Private defined benefit	46,233	29.347 million	11.077 million	$2.994 trillion
Cash-balance subset	26,764	8.994 million	3.458 million	$1.055 trillion

Source: U.S. Department of Labor, Private Pension Plan Bulletin, Abstract of 2023 Form 5500 Annual Reports, Table A1. Counts are estimates; totals may not sum because of rounding.

Data limitation: Form 5500 counts filed plans and reported participants, not unique people. A person may appear in multiple plans. The 403(b) count omits certain filing-exempt arrangements, and the bulletin excludes one-participant plans. Census public-pension counts focus on state/local defined-benefit systems and are not directly comparable.

Practical ranking by employer population

Entity	Most common primary arrangement	Common supplement or alternative
Private employer	401(k), commonly with matching and profit-sharing	Safe-harbor 401(k); cash-balance pension for higher contribution goals
Owner-only business	Solo 401(k)	SEP; cash-balance pension
Small employer	SIMPLE IRA or 401(k)	SEP
§501(c)(3) nonprofit	403(b) or 401(k)	457(b)/457(f) for selected executives
Public school	Governmental defined-benefit pension	403(b) and/or governmental 457(b)
State/local government	Governmental defined-benefit pension	Governmental 457(b)
Federal government	TSP plus the applicable federal pension	No ordinary 457(b)
Church	403(b), 403(b)(9), or church pension	Qualified plan, SIMPLE IRA, or SEP where eligible
Union multiemployer group	Multiemployer pension	Annuity or defined-contribution plan

Overall conclusion: 401(k) plans overwhelmingly dominate private plan counts and participant reach. Defined-benefit pensions remain structurally important in state and local government. The 403(b) is the characteristic plan for eligible education and nonprofit employers, while the governmental 457(b) commonly supplements a public pension. SIMPLE IRAs and SEPs occupy the small- and owner-only-employer market.

9. Employer selection guide

Employer objective	Common plan choice	Principal consideration
Broad employee salary deferrals in a private business	401(k)	Largest provider market; can add match, profit sharing, Roth, auto-enrollment, and safe harbor.
Low-administration small-employer deferral plan	SIMPLE IRA	Restricted to qualifying small employers; mandatory employer contribution.
Employer-only contribution for a very small workforce	SEP	Simple, but generally requires a uniform contribution percentage for eligible employees.
Large owner contribution with employees covered	401(k) plus profit sharing	Allocation and nondiscrimination rules require professional plan design.
Very large deductible contribution for older/high-income owners	401(k) plus cash-balance pension	Higher funding commitment and actuarial administration.
Eligible school or §501(c)(3)	403(b) or 401(k)	Choice depends on employer status, workforce, desired features, and administration.
State/local government supplemental savings	Governmental 457(b)	Often layered on top of a pension; distinct deferral limit mechanics can be valuable.
Nonprofit executive retention	Tax-exempt 457(b) or 457(f)	Unfunded status, forfeiture, ERISA, and tax timing require specialized advice.

Legal caution

“Allowed” does not mean every employer can choose every plan. Eligibility depends on the employer’s legal form, tax-exempt or governmental status, employee count, controlled-group relationships, existing plans, and the written plan terms. ERISA, securities law, state pension law, collective-bargaining agreements, and governmental statutes may impose additional requirements. Consult a qualified retirement-plan adviser, ERISA attorney, actuary, or tax professional before adoption.

10. Sources and methodology

Primary sources were prioritized. Web pages and datasets were reviewed in August 2026; statistics retain the source plan year shown.

1. Internal Revenue Service. Types of Retirement Plans

2. Internal Revenue Service. Choosing a Retirement Plan: Plan Options

3. Internal Revenue Service. Plan Feature Comparison Chart, Publication 4484

4. Internal Revenue Service. Retirement Plans Definitions

5. Internal Revenue Service. Retirement Plans FAQs Regarding SEPs

6. Internal Revenue Service. Retirement Plans FAQs Regarding SARSEPs

7. Internal Revenue Service. Retirement Plans FAQs Regarding SIMPLE IRA Plans

8. Internal Revenue Service. Employee Stock Ownership Plans

9. Internal Revenue Service. IRC 457(b) Deferred Compensation Plans

10. Internal Revenue Service. Government Retirement Plans Toolkit

11. U.S. Department of Labor, EBSA. Private Pension Plan Bulletin: Abstract of 2023 Form 5500 Annual Reports

12. U.S. Census Bureau. Annual Survey of Public Pensions