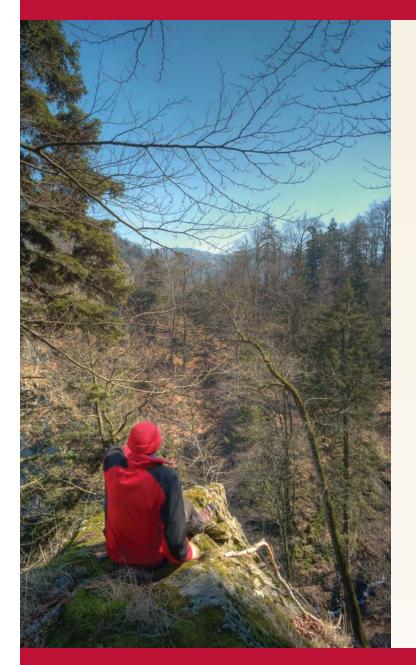
Exploring Your IRA Options



Learn what each type of IRA has to offer so that you can get the most out of your retirement savings.

Wondering what the differences are between a Traditional IRA and a Roth IRA? Are you eligible for both but are unsure which one is right for you? Use the following side-by-side comparison to help you choose the IRA that best meets your needs.

The following side-by-side comparison is intended to give you a general overview of the main differences between Traditional and Roth IRAs. The question of which one is right for you may simply be a matter of whether you want to save on taxes now or later. A Traditional IRA may make sense if you want a tax deduction now or you anticipate being in a lower tax bracket during retirement. A Roth IRA may be more fitting if you can afford to pay the taxes now in order to save on taxes when you retire.

Exploring Your IRA Options

Roth IRA Traditional IRA

Can I contribute?

You are eligible to contribute if you earn compensation (or file a joint tax return with a spouse who earns compensation) and your modified adjusted gross income (MAGI) is less than or within the defined limits. See the MAGI chart below.

You are eligible to contribute if you are under age 70½ and earn compensation (or file a joint return with a spouse who earns compensation).

Can I take an income tax deduction for my contribution?

No. Roth IRA contributions are not tax-deductible.

Whether your Traditional IRA contribution is deductible on your federal income tax return depends on your marital and tax-filing status, your MAGI, and whether you or your spouse actively participate in an employer-sponsored retirement plan. If neither you or your spouse, if married, are an active participant, you are eligible to deduct your full contribution. Otherwise, see the MAGI chart below.

What are the MAGI limits?

*MAGI is your adjusted gross income before certain deductions or adjustments to income are made. MAGI limits are subject to annual cost-of-living adjustments (COLAs).

Tax-Filing Status		Full Partial Contribution		No Contribution Allowed
Single	2013	\$112,000 or less	\$112,000– \$127,000	\$127,000 or more
	2014	\$114,000 or less	\$114,000- \$129,000	\$129,000 or more
Married, Filing Jointly	2013	\$178,000 or less	\$178,000- \$188,000	\$188,000 or more
	2014	\$181,000 or less	\$181,000- \$191,000	\$191,000 or more

Tax-Filing Status	Active Participant		Full Deduction	Partial Deduction	No Deduction Allowed
Single	Yes	2013	\$59,000 or less	\$59,000– \$69,000	\$69,000 or more
		2014	\$60,000 or less	\$60,000– \$70,000	\$70,000 or more
Married, Filing Jointly	Yes	2013	\$95,000 or less	\$95,000– \$115,000	\$115,000 or more
		2014	\$96,000 or less	\$96,000– \$116,000	\$116,000 or more
Married, Filing Jointly	No, but spouse is	2013	\$178,000 or less	\$178,000- \$188,000	\$188,000 or more
		2014	\$181,000 or less	\$181,000- \$191,000	\$191,000 or more

How much can I contribute each year?

*Contribution limits are subject to annual COLAs.

**The regular
contributions to
both Traditional
and Roth IRAs in
aggregate cannot
exceed these limits.

Depending on your MAGI, you may be able to contribute up to \$5,500 for 2013 and for 2014, or if you are age 50 and older, up to \$6,500 for 2013 and for 2014.

Contributions cannot exceed your annual compensation.

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Roth IRA Traditional IRA

What are the benefits?

*A Roth IRA

distribution occurs

when money is

withdrawn from

your Roth IRA after you have owned a

Roth IRA for at least

five years, and you

homebuver, or are

are age 59½ or older, disabled, a

first-time

deceased.

qualified

- You may qualify for a saver's tax credit of up to \$1,000 when you make a contribution.
- ▶ Because all Roth IRA contributions must be included in your taxable income, and therefore are not tax-deductible, you can withdraw your contributions at any time, tax- and penalty-free.
- Any earnings generated within the IRA are tax-deferred (you do not pay tax on the earnings until you withdraw them).
- ► If you satisfy the qualified distribution requirements, you can withdraw the earnings tax-free, which is the ultimate advantage of having a Roth IRA.
- You are never required to take money out of your Roth IRA, no matter what your age.

- You may qualify for a saver's tax credit of up to \$1,000 when you make a contribution.
- Any earnings generated within the IRA are tax-deferred (you do not pay tax on the earnings until you withdraw them).
- ▶ If your Traditional IRA contributions are tax-deductible and therefore tax-deferred, you do not pay taxes on them until you withdraw the money.
- Any after-tax amounts (nondeductible contributions) within your IRA can be withdrawn tax- and penalty-free.

Will I ever be required to withdraw the money?

No. Roth IRA owners are never required to take distributions. After your death, however, your beneficiaries may be subject to required distributions.

Yes. Traditional IRA owners are required to take annual minimum distributions beginning for the year they turn age 70½. Your beneficiaries also will be subject to required distributions.

NOTE: You may be subject to a 10 percent early distribution penalty tax on any taxable amount taken from either a Traditional or Roth IRA before you reach age 59½, unless you qualify for one of these penalty exceptions: disability, certain health insurance costs, certain medical expenses, higher education expenses, first-time homebuyer expenses, substantially equal periodic payments, IRS tax levy, qualified military reservist distributions, or death (beneficiary distributions).

For More Information

Please contact one of our representatives for more information on Roth and Traditional IRAs.