



## IRA Considerations

... That retirement can last for 30 years or more?

...That a common rule to follow is that a retiree will need up to 80% of his/her annual income today to retire comfortably?

... That the average benefit amount paid monthly by the Social Security Administration is \$1,177?

## Traditional and Roth IRA Highlights



Both traditional and Roth IRAs allow you to save money for retirement. Which is right for you? This chart from the IRS highlights some of their similarities and differences.

Features	Traditional IRA	Roth IRA
<b>Who can contribute?</b>	You can contribute if you (or your spouse if filing jointly) have taxable compensation but not after you are age 70½ or older.	You can contribute at any age if you (or your spouse if filing jointly) have taxable compensation and your modified adjusted gross income is below certain amounts (see 2020 and 2019 limits).
<b>Are my contributions deductible?</b>	You can deduct your contributions if you qualify.	Your contributions aren't deductible.
<b>How much can I contribute?</b>	The most you can contribute to <b>all</b> of your traditional and Roth IRAs is the smaller of: <ul style="list-style-type: none"> <li>• For 2018: \$5,500, or \$6,500 if you're age 50 or older by the end of the year; or your taxable compensation for the year.</li> <li>• For 2019: \$6,000, or \$7,000 if you're age 50 or older by the end of the year; or your taxable compensation for the year.</li> <li>• For 2020: \$6,000, or \$7,000 if you're age 50 or older by the end of the year; or your taxable compensation for the year.</li> </ul>	
<b>What is the deadline to</b>	Your tax return filing deadline (not including extensions). For example,	

Features	Traditional IRA	Roth IRA
<b>make contributions?</b>	you can make 2019 IRA contributions until April 15, 2020.	
<b>When can I withdraw money?</b>	You can withdraw money anytime*.	
<b>Do I have to take required minimum distributions?</b>	<p>You must start taking distributions by April 1 following the year in which you turn age 70½ and by December 31 of later years.</p> <p><i>For information on recently passed legislation on required minimum distributions, see Effects of the SECURE Act on IRA Accounts on this page</i></p>	Not required if you are the original owner.
<b>Are my withdrawals and distributions taxable?</b>	<p>Any deductible contributions and earnings you withdraw or that are distributed from your traditional IRA are taxable.</p> <p>*Also, if you are under age 59 ½ you may have to pay an additional 10% tax for early withdrawals unless you qualify for an exception.</p>	None if it's a qualified distribution (or a withdrawal that is a qualified distribution). Otherwise, part of the distribution or withdrawal may be taxable*. If you are under age 59 ½, you may also have to pay an additional 10% tax for early withdrawals unless you qualify for an exception.