

TRADITIONAL

ROTH

CONTRIBUTIONS ARE DEDUCTED FROM YOUR PAYCHECK ON A PRE-TAX BASIS

TAX-DEFERRED EARNINGS ALLOW YOUR ACCOUNT TO GROW FASTER

DISTRIBUTIONS ARE TAXABLE

PRE-TAX CONTRIBUTIONS REDUCE YOUR CURRENT TAX BURDEN

CONSIDER MAKING PRE-TAX CONTRIBUTIONS IF YOU EXPECT TO BE IN A LOWER TAX RATE AT RETIREMENT SINCE THIS IS THE TIME YOU WILL TYPICALLY BE TAKING DISTRIBUTIONS FROM YOUR ACCOUNT

CONTRIBUTIONS ARE DEDUCTED FROM YOUR PAYCHECK ON A AFTER-TAX BASIS

TAX-FREE EARNINGS ALLOW YOUR ACCOUNT TO GROW FASTER

TAX-FREE DISTRIBUTIONS IF QUALIFIED DISTRIBUTION REQUIREMENTS ARE MET

LOCKS IN YOUR CURRENT TAX RATE – THIS IS BENEFICIAL IF YOU EXPECT TO BE IN A HIGHER TAX BRACKET AT RETIREMENT

ROTH 401(k) SUITABILITY IS BASED ON CURRENT TAX RATE, EXPECTED FUTURE TAX RATE, CURRENT AGE AND YEARS TO RETIREMENT

401(K)