



## Aim for Flexible, Tax-Free Savings – Payroll Roth IRA

### IRS eligibility rules apply:

Your income must be less than IRS limits to make full or partial contributions. For 2012:

- \$110,000-\$125,000  
(single filers)
- \$173,000-\$183,000  
(married joint filers)

### Why a Roth IRA? It complements your 457 plan

- Earnings may be tax-free.\*
- Use for retirement, or a house or education.
- Your contributions can be withdrawn at any time without taxes or penalties.

### Why a Payroll Roth IRA?

It's an easy way to save, directly from your paycheck.

Contribute up to \$5,000 for 2012 (\$6,000 if age 50 or over).\*

If you contribute \$25 biweekly and increase that \$5 per year, the combination of those increased contributions and compounding earnings can go a long way.

After this many years...	10 Years	15 Years	20 Years	25 Years
Your account could be worth...	\$16,177	\$36,898	\$69,322	\$119,198

*For illustrative purposes only. Assumes a 7% annual return — your actual return may be higher or lower — and \$25 biweekly contributions the first year, with \$5 yearly increases thereafter (\$30 biweekly the second year, \$35 the third year, etc.).*

\* Earnings may be withdrawn tax- and penalty-free if you have owned a Roth IRA for at least a five-year period, as defined by the IRS, and have a qualifying event, including age 59½, a “first-time” home purchase, disability or death. Otherwise, ordinary income taxes as well as penalty taxes may apply. See IRS Publication 590.

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