

Three things to consider when using an IRA:

- 1. Contribution deadlines:** IRAs must be opened and/or funded by the April 15 tax-filing deadline to receive tax deductions.
- 2. Catch-up contributions:** Individuals who have reached age 50 by the end of the year will be able to make additional catch-up contributions of \$1,000 per year.
- 3. Saving at tax time:** Have part of your federal-tax refund deposited directly into your IRA.

REMEMBER

Retirement savings accounts are insured up to \$250,000 at FDIC-insured deposit institutions.



Ask Your Banker...

Individual Retirement Accounts

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Individual Retirement Accounts

TRADITIONAL AND ROTH IRAS AT A GLANCE

	Traditional IRA	Roth IRA
Qualifications	Must have earned income and not have reached age 70 ½ by the end of the year.	Must have earned income. There are no age restrictions.
Maximum Contributions	Taxable years beginning in 2010 and after—\$5,000*	Taxable years beginning in 2010 and after—\$5,000*
Catch-Up (50+Over)	2010 and after—\$1,000*	2010 and after—\$1,000*
Tax Status of Earnings	Tax-deferred until withdrawal	Not taxed. Earnings grow tax-free.
Contribution Restrictions (Base On Adjusted Gross Income)	Yes, if active participant in employer retirement plan. Contribution phase-outs for 2010 tax year: Singles—\$56,000–\$66,000; Married joint—\$89,000–\$109,000	Contribution phase-outs for 2010 tax year: Singles—\$105,000–\$120,000; Married joint—\$167,000–\$177,000
Tax Deduction	Yes. Contributions up to the limit are fully tax deductible if you are not an active participant in a retirement plan. Otherwise phase-out rules apply.	No. These are after-tax dollars.
Penalties For Early Withdrawal	None if: - Over 59 ½ - Death or disability - Qualified medical expense - Certain health insurance - Higher education expenses - 1st time home purchase (up to \$10,000) - Due to IRS levy - Periodic payments	None if made after a 5-year period and: - Over 59 ½ - Death or disability - Qualified medical expense - Certain health insurance - Higher education expenses - 1st time home purchase (up to \$10,000) - Due to IRS levy
Required Distributions	Must begin by April following year participant turns 70 ½	Only after death of participant
Contributions After Age 70 ½	Not allowed	Allowed

**To be adjusted annually for inflation in \$500 increments*