Roth Comparison Chart

Comparison of Roth 401(k), Roth IRA, and Traditional 401(k) Retirement Accounts			
Characteristic	**Designated Roth 401(k) Account**	**Roth IRA**	**Traditional, Pre-Tax 401(k) Account**
Contributions	Designated Roth employee elective contributions are made with ***after-tax dollars***.	Roth IRA contributions are made with ***after-tax dollars***.	Traditional, pre-tax employee elective contributions are made with ***before-tax dollars***.
Income Limits	No income limitation to participate.	Income limits: married $183,000/single $125,000 modified AGI for 2012	No income limitation to participate.
Maximum Elective Contribution	*Aggregate** employee elective contributions limited to $17,000 in 2012 ($17,500 in 2013) plus an additional $5,500 for employees age 50 or over.	Contribution limited to $5,000 for 2012 ($5,500 for 2013) plus an additional $1,000 for employees age 50 or over.	Same aggregate* limit as Designated Roth 401(k) Account
Taxation of Withdrawals	Withdrawals of contributions and earnings are **not** taxed provided it's a **qualified distribution** – the account is held for at least 5 years and made: • On account of disability, • On or after death, or • On or after attainment of age 59½.	Same as Designated Roth 401(k) Account and can have a qualified distribution for a first time home purchase.	Withdrawals of contributions and earnings **are** subject to Federal and most State income taxes.
Required Distributions	Distributions must begin no later than age 70½, unless still working and not a 5% owner.	No requirement to start taking distributions while owner is alive.	Same as Designated Roth 401(k) Account.

* This limitation is by individual, rather than by plan. Although permissible to split the annual employee elective contribution between designated Roth contributions and traditional, pre-tax contributions, the combination cannot exceed the deferral limit - $17,000/$22,500 in 2012, $17,500/$23,000 in 2013.

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