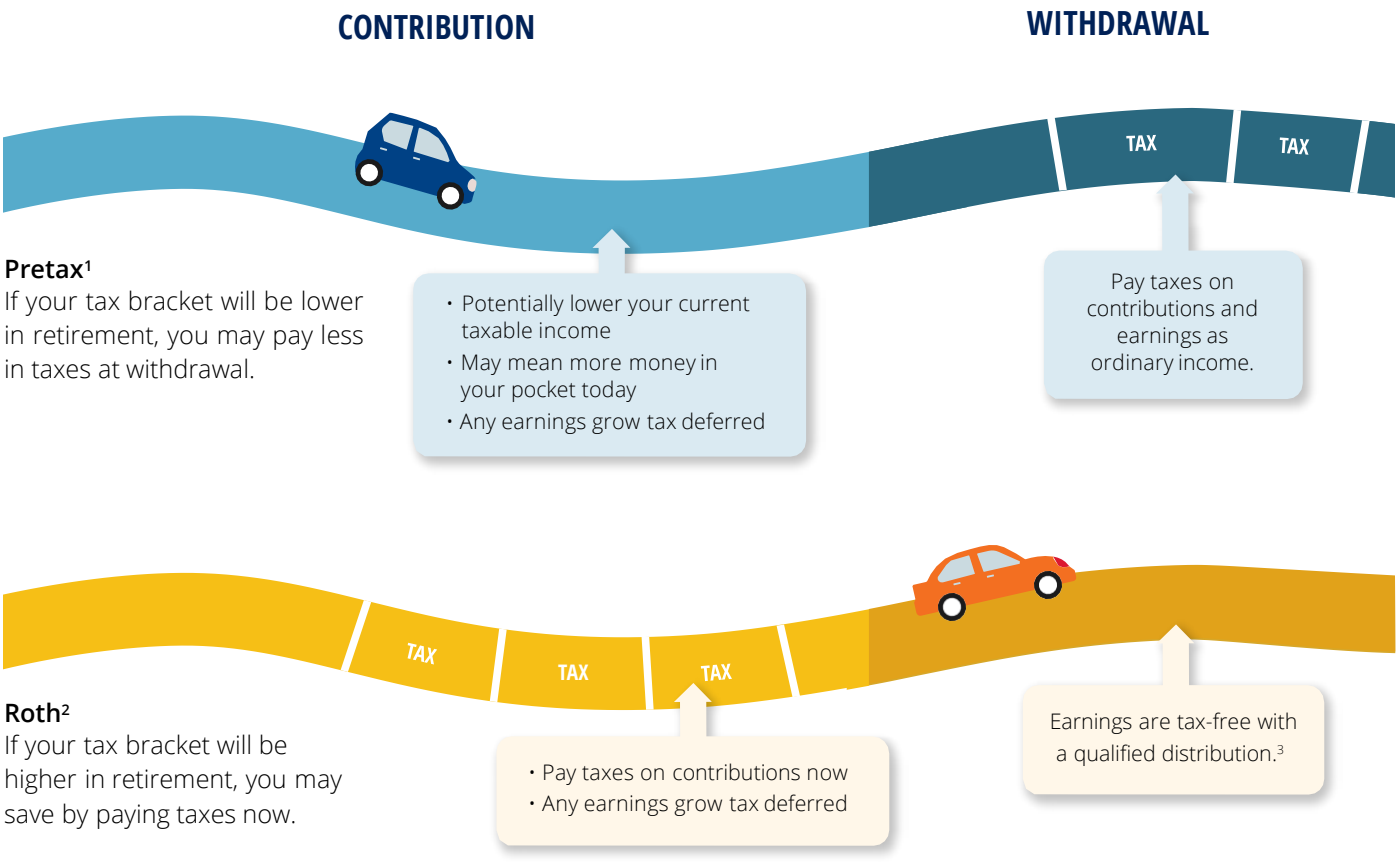
Pretax or Roth: Which road to take?

Before you determine which road or combination of roads may be right for you, you'll need to consider a few important factors, including when you want to pay taxes. Let's take a closer look.



Pretax[1]
If your tax bracket will be lower in retirement, you may pay less in taxes at withdrawal.

- Potentially lower your current taxable income
- May mean more money in your pocket today
- Any earnings grow tax deferred

Pay taxes on contributions and earnings as ordinary income.

Roth[2]
If your tax bracket will be higher in retirement, you may save by paying taxes now.

- Pay taxes on contributions now
- Any earnings grow tax deferred

Earnings are tax-free with a qualified distribution.[3]

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What to know before you hit the road

	PRETAX CONTRIBUTIONS	ROTH CONTRIBUTIONS
Is my contribution taxable in the year I make it?		✓
Is my contribution taxed when distributed?	✓	
Are potential earnings on my contributions taxed when distributed?	✓	No, provided that it is qualified distribution.[3]
Can I contribute to both Roth and pretax plans?	✓	✓
If I change jobs, can I roll over my account?	✓	✓
	Yes, to an eligible employer plan (if the plan allows it) or to an IRA.[4]	
If I experience a financial hardship, can I make a withdrawal?	✓	✓
	Yes, if your plan allows hardship withdrawals.	
Do I have to take a minimum distribution at age 72?	✓	✓
	Once you reach age 72, you are generally required to begin taking minimum distributions.[5]	
What is the maximum amount I can contribute?	Combined limit for contributions in 2022: $20,500 or $27,000, including the additional $6,500 age 50+ catch-up contribution	

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1 Contributions are made prior to tax withholding.

2 Contributions are made after tax withholding.

3 Subject to requirements: Roth contributions must be in your account for at least five years and the money withdrawn after you have reached age 59½, died or been disabled. If a distribution is not qualified, the earnings are taxed as ordinary income and may be subject to early withdrawal penalties.

4 Eligible employer plans include: qualified plans (e.g., 401(k), governmental 457(b) and 403(b) plans). Roth contributions can only be rolled over to another designated Roth account or to a Roth IRA.

5 If you are still employed with the employer who sponsors the plan or if you are less than a 5% owner of the business sponsoring the plan, you may not be required to take a minimum distribution. The RMD age is 70½ for individuals who turned 70½ on or before December 31, 2019. The RMD age is 72 for individuals who turn age 70½ after December 31, 2019. Refer to your plan provisions for more information.

Investing involves risk, including possible loss of principal.

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