

# Retirement Planning

It's never too early to plan for your retirement. UW Credit Union offers many choices for your future and can help you decide what's right for your situation.

	Traditional IRA	Roth IRA
Who Can Contribute?	Anyone under age 70½ with qualified income	Individuals with qualified income, regardless of age
Distribution Requirements	Mandatory, beginning at age 70½	None
Taxes	You pay taxes on your investment contributions and growth when you withdraw from your traditional IRA at retirement.	You pay taxes on funds when you contribute, so withdrawals are tax-free.*
Early Withdrawals	Withdrawals of contributions and earnings are subject to 10% penalty unless taxpayer is: 1) Age 59 ½, 2) Buying a first home (\$10,000 lifetime maximum), 3) Paying for college expenses or 4) Disabled or deceased	Withdrawals of earnings are subject to taxes and a 10% penalty unless account has been open 5 years and taxpayer is: 1) Age 59 ½, 2) Buying a first home or 3) Disabled or deceased. Withdrawals of earnings for college expenses will be subject to taxes but not penalties.
Additional Benefits	<ul style="list-style-type: none"> <li>▶ Contributions may be tax deductible.</li> <li>▶ Interest grows tax-deferred until withdrawn.</li> <li>▶ Funds can be used to purchase a first home (\$10,000 lifetime maximum).</li> <li>▶ Funds can be used to pay for qualifying education expenses.</li> </ul>	<ul style="list-style-type: none"> <li>▶ All withdrawals, including earnings, are tax-free if the account has been open at least 5 years and are used for qualified expenses.</li> <li>▶ No requirement to withdraw at any age.</li> <li>▶ Funds can be used to purchase a first home (\$10,000 lifetime maximum).</li> </ul>

## Other IRA Options

Our IRA Certificate and Savings account are both NCUA-insured investment options.

### IRA Certificate

- ▶ Terms available for 6 to 60 months
- ▶ Minimum deposit of \$500
- ▶ Dividends are compounded daily, credited monthly and at maturity
- ▶ Automatic renewal – at maturity at current rate

### IRA Savings

- ▶ Dividends are earned on balances \$100 or more, compounded daily, credited monthly
- ▶ Contributions can be made anytime

*\*Talk to your tax advisor for more information.*



Your best interest always comes first.™