



Benefits that Go Together

Make convenient paycheck contributions to a 457 deferred compensation plan and a Payroll Roth IRA.

1. Diversify your taxes — get a tax benefit now for saving to your 457 plan and a tax benefit later when you withdraw from your Roth IRA.

457 Deferred Compensation
<ul style="list-style-type: none"> ▪ Pre-tax contributions ▪ Taxable withdrawals ▪ Withdraw after separation
www.icmarc.org/457

Payroll Roth IRA*
<ul style="list-style-type: none"> ▪ After-tax contributions ▪ Tax-free withdrawals ▪ Withdraw any time
www.icmarc.org/ira

* Contributions may be withdrawn at any time without taxes or penalties. Earnings may be withdrawn tax- and penalty-free if you have owned a Roth IRA for at least a five-year period and have a qualifying event, including age 59½, a “first-time” home purchase, disability or death. Otherwise, income and penalty taxes may apply. See IRS Publication 590.

2. Use for different goals — retirement, health care, a new home

Even small savings can really add up, especially if you gradually increase it over time.

If you contribute just \$10 biweekly and increase that \$5 per year...

After this many years...	10 years	20 years	30 years
Your account could be worth...	\$10,686	\$47,930	\$133,531

For illustrative purposes only. Assumes an effective 6% average annual return, compounded biweekly and contributions of \$10 the first year and \$5 yearly increases thereafter (\$15 biweekly in the second year, \$20 the third year, etc.)

To learn more, contact your ICMA-RC representative:

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