

ROTH VS. TRADITIONAL IRAs

No matter what stage of life you're in, it's never too soon to start planning for retirement. The small decisions you make today can have a big impact on your future. While you might already be invested in your employer-sponsored plan, an Individual Retirement Account (IRA) allows you to save for your retirement on the side, and potentially save on taxes.

There are different types of IRAs with different rules and benefits. With a Roth IRA, you contribute after tax dollars, your money grows tax-free, and you can generally make tax- and penalty-free withdrawals after you hit the age 59 1/2. With a Traditional IRA, you contribute pre- or after-tax dollars, your money grows tax-deferred, and withdrawals are taxed as current income after you hit the age 59 1/2.

The following info-graphic will help breakdown the other main differences you need to know between a Roth and Traditional IRA and highlight their benefits to help you determine which option is right for your specific retirement goals.

