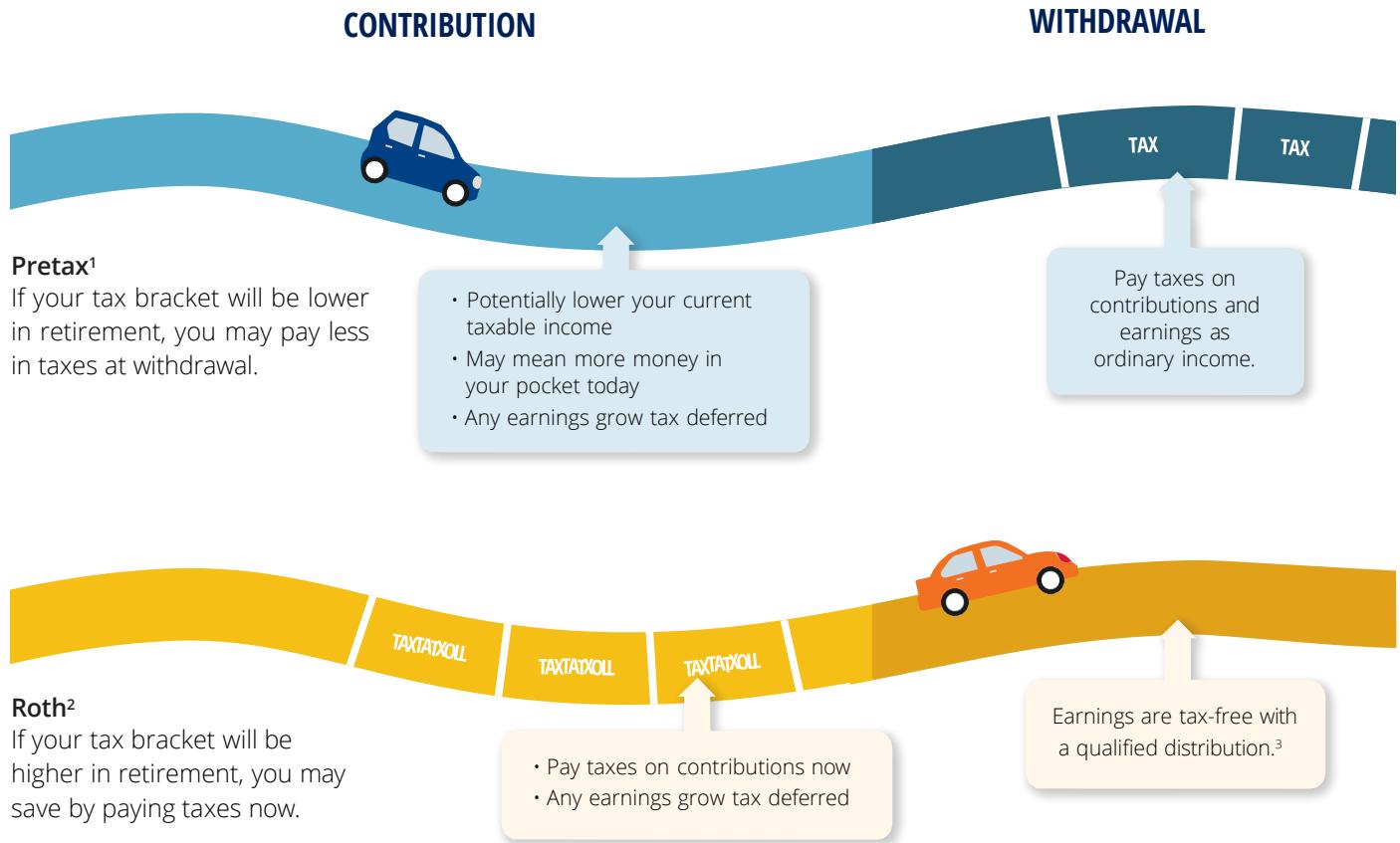


Pretax or Roth: Which road to take?

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.



Visit learningfromempower.com to access helpful information, videos, calculators and more

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 Consider all your options and their features and fees before moving money between accounts.	
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?		You may contribute up to the IRS limit each year. Check IRS.gov for the limits

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3 Subject to requirements: Roth contributions must be in your account for at least five years and the money withdrawn after you have reached age 59½, died or been disabled.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.

Securities, when presented, are offered and/or distributed by Empower Financial Services, Inc., Member FINRA/SIPC. EFSI is an affiliate of Empower Retirement, LLC; Empower Funds, Inc.; and registered investment adviser, Empower Advisory Group, LLC. This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

On December 31, 2020, Empower acquired the retirement business of Massachusetts Mutual Life Insurance Company. Empower refers to the products and services offered by Empower Annuity Insurance Company of America and its subsidiaries, including Empower Retirement, LLC. Empower is not affiliated with MassMutual or its affiliates.

“EMPOWER” and all associated logos and product names are trademarks of Empower Annuity Insurance Company of America.

©2022 Empower Retirement, LLC. All rights reserved. GEN-FLY-WF-662183-0922(2021668) RO2396683-0922