

Earned Income Limits for Roth IRA Eligibility

The greatest advantage of a Roth IRA is that it may enable individuals' contributions to accumulate tax free. This means that eligible Roth IRA owners won't pay taxes on any earnings in their accounts, provided certain conditions are met.

Filing Status	2008 Adjusted Gross Income	Contribution Eligibility
Single	Up to \$101,000	Full amount
	\$101,000 to \$116,000	Partial
	Over \$116,000	None
Married, filing jointly	Up to \$159,000	Full amount
	\$159,000 to \$169,000	Partial
	Over \$169,000	None

Unlike a Traditional IRA, the Roth IRA allows annual contributions to be withdrawn at any time, tax free and penalty free, and earnings can be withdrawn tax free after just five years,² provided certain conditions are met.³ For long-term savers, the value of tax-free compounding on investment earnings is a powerful tool.

Roth Conversion Contributions

Investors can convert Traditional IRA, Rollover IRA, SEP-IRA, or SIMPLE IRA (after two-year period) assets to a Roth IRA if adjusted gross income (joint or individual) is \$100,000 or less.¹ And individual Roth IRA contribution limits are the same as for Traditional IRAs: \$5,000, plus those eligible can contribute an additional "Catch-up" amount of \$1,000*

Whether you plan on retiring soon or many years from now, one of our Park Avenue Securities Registered Representatives can work with you to make your dreams a reality. Click the "Ask Us" button for more information.

¹ Married individuals filing separately are not eligible to convert IRA assets to a Roth IRA. A married individual filing separately, and who lives apart from his or her spouse for the entire tax year, is considered an individual for purposes of determining conversion eligibility.

² Distributions are taken from the nontaxable portion of the Roth IRA first. Only when all contributions have been withdrawn will any earnings be distributed (subject to taxation and an early withdrawal penalty, unless an exception applies).

³ If the five-year aging period is met, distributions are penalty free and tax free, provided one of the following conditions is met: attainment of age 59½, death, disability, or qualified first-time home purchase (\$10,000 lifetime limit).

* Individuals age 50 or over (by December 31 of the calendar year for which the contribution relates) may make additional, or "catch-up" contributions to their IRAs. The current catch-up amount for 50+ individuals is \$1,000.