

The perfect match

Match a Roth IRA with your 457 Deferred Compensation Plan to save with tax benefits and flexibility.

- For different savings goals – Additional retirement income, health care, a home purchase, college education, emergencies.
- For different tax benefits – You can get a tax benefit now when you save to your 457 plan, and a tax benefit later when you withdraw from your Roth IRA. If you retire early, you can withdraw from your 457 plan without penalties.

Roth IRA

Tax-free withdrawals – Distributions, including earnings, are tax- and penalty-free if you have:

- Owned a Roth IRA for at least five years, as defined by the IRS
- A qualifying event, such as reaching age 59½, a first-time home purchase, disability, or death

Income and penalty taxes may apply to the withdrawal of earnings, but contributions can be withdrawn at any time without taxes or penalties.

IRS-required minimum distributions do not apply, so loved ones can receive money tax-free.

457 Deferred Compensation Plan

Pre-tax contributions lower current year taxes and all taxes are deferred until you withdraw.

Penalty-free withdrawals – Distributions upon separation from service are not subject to the 10% IRS penalty tax, regardless of your age.¹



Learn more

- IRA – www.icmarc.org/ira
- 457 plan – www.icmarc.org/457
- Contact your MissionSquare representative.

Please visit www.icmarc.org/contributionlimits to view current year annual maximum contribution amounts.

Current tax year contributions may also be made up until the tax filing deadline of next year. Income eligibility rules differ slightly. Visit www.icmarc.org/ira for more information.

¹A 10% penalty tax never applies to withdrawals of original 457 plan contributions and associated earnings, but may apply to non-457 plan assets rolled into a 457 plan and then withdrawn prior to age 59½. MissionSquare Retirement does not provide specific tax advice.