

# IRAs - A Plan for All Stages of Life

## Just getting started in your career.

As you start your career, start building your retirement plan. A Roth IRA can provide you with tax-free withdrawals when you retire. As time goes by, you'll be amazed at the power of compounding interest and its effect on your account.

Here is an example of the value of opening an IRA as early as possible.

|  | Michelle   | Charles  |
|--|--|--|
| <b>Contributions</b>                             | \$45,000 over 15 years<br>(\$3,000/year from age 21 to age 35) | \$90,000 over 30 years<br>(\$3,000/year from age 36 to age 65) |
| <b>IRA's Value at age 65</b>                     | \$293,771  | \$209,282  |
| <b>Tax-free Earnings (qualified withdrawals)</b> | \$248,771  | \$119,282  |

As you can see Michelle contributes half of what Charles does, but starts earlier. In doing so she has accumulated almost \$85,000 more than Charles.

## Planning as a couple.

If you both earn income, you can both contribute to your own IRA. If you earn less than your spouse and you file a joint tax return, then you can contribute up to the limit based upon your joint compensation less your spouse's IRA contribution.

## Flexibility for your growing family.

Investing in an IRA provides flexibility for your changing financial needs. Depending on the type of IRA you invest in, your investment can be used for:

- A first-time home purchase
- Qualified college education expenses

## Securing your retirement.

If you're already retired, or nearing that date, you should consider a safe, secure IRA. Traditional IRA distributions are subject to income taxes. But if you're over 59½ and have had a Roth IRA for 5 years, all your withdrawals are tax-free.

**Call or stop in today - and start saving for a secure future.**

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