



# ROTH VS. PRE-TAX *contributions*



What is the difference and how do I choose between ROTH and PRE-TAX contributions to my retirement account?



## Pre-Tax

vs.

## Roth

IT'S ALL ABOUT THE TAXES!

money from your paycheck is taken out

**BEFORE** taxes

reduces your taxes

**TODAY**

earnings on your money are  
**TAXABLE** in retirement



money from your paycheck is taken out

**AFTER** taxes

reduces your taxes in the

**FUTURE**

earnings on your money are  
**TAX-FREE** in retirement

Q. Should you do Roth or Pre-tax?

A. If you need to lower your taxes today, pre-tax maybe the best option.  
If you believe you may be in a higher tax bracket in the future, Roth maybe the best option.

*You don't have to choose between the two - you can do both!*

Need help deciding if Roth or Pre-tax is right for you?

Contact SRP! They can help!

Strategic Retirement Partners

11211 Taylor Draper Lane, Suite 110, Austin, TX 78759.

[512] 222-4174 | [support@srpretire.com](mailto:support@srpretire.com)

Securities offered through LPL Financial, Member FINRA/SIPC. Investment advisory services are offered through Global Retirement Partners, an SEC Registered Investment Advisor. Global Retirement Partners and Strategic Retirement Partners (SRP) are separate entities from LPL Financial.

Global Retirement Partners employs (or contracts with) individuals who may be (1) registered representatives of LPL Financial and investment adviser representatives of Global Retirement Partners; or (2) solely investment adviser representatives of Global Retirement Partners. Although all personnel operate their businesses under the name Strategic Retirement Partners (SRP), they are each possibly subject to differing obligations and limitations and may be able to provide differing products or services.

This material was created for educational and informational purposes only and is not intended as ERISA, tax, legal or investment advice. If you are seeking investment advice specific to your needs, such advice services must be obtained on your own separate from this educational material.

Contributions to a traditional 401(k) may be tax deductible in the contribution year, with current income tax due at withdrawal. Withdrawals prior to age 59 ½ may result in a 10% IRS penalty tax in addition to current income tax.

A Roth 401(k) offers tax deferral on any earnings in the account. Qualified withdrawals of earnings from the account are tax-free. Withdrawals of earnings prior to age 59 ½ or prior to the account being opened for 5 years, whichever is later, may result in a 10% IRS penalty tax. Limitations and restrictions may apply.

1-05293082