



*Your retirement plan advisers*

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**Welcome to Retirement Consultants Network!** We are committed to excellent service and can assist any individual in creating a full financial plan. We also have an on staff attorney which is also licensed as a financial consultant, who can review wills, trusts, or other estate concerns. Our firm focuses on retirement plans provided through employers. We work with your employer, Atkinson County Board of Education, to achieve their goal of providing high quality products, with an emphasis on personal service. As part of your financial planning, we can help match your life needs with other benefits offered through your employer. Our firm can provide advice on transferring assets from your previous employer to either your new employer or an IRA, whichever you choose. At your request, we can also make available advice on assets held outside your employer plan.

Through Atkinson County Board of Education's Supplemental retirement plan the following types of accounts are made available, either pre-tax or after-tax, to help assist you with your specific retirement/tax planning needs:

### **403(b):**

A 403(b) plan is a U.S. tax-advantaged retirement savings plan available for public education organizations. It has tax treatment similar to a 401(k) plan, especially after the Economic Growth and Tax Relief Reconciliation Act of 2001. Employee salary deferrals into a 403(b) plan are made before income tax is paid and allowed to grow tax-deferred until the money is taxed as income when withdrawn from the plan. Contribution limits for 2014 are \$17,500 or \$23,000 if age 50 or older.

### **457:**

The 457 plan is a type of non-qualified tax advantaged deferred-compensation retirement plan that is available for governmental and certain non-governmental employers in the United States. The employer provides the plan and the employee defers compensation into it on a pre-tax basis. For the most part the plan operates similarly to a 401(k) or 403(b) plan most people are familiar with in the US. The key difference is that unlike with a 401(k) plan, there is no 10% penalty for withdrawal before the age of 59½ (although the withdrawal is subject to ordinary income taxation). Contribution limits for 2014 are \$17,500 or \$23,000 if age 50 or older.

**You can utilize a 403(b) and 457 account combined to tax defer up to \$33,000 of earned income or \$46,000 if age 50 or older.**

### **Roth 403(b):**

You can make contributions on an after-tax basis to the Roth 403(b), on a pre-tax basis to the traditional 403(b) you have today, or a combination of the two, depending upon what is best for your personal circumstances and savings objectives. The overall benefit of the Roth 403(b) will be realized when you retire since the money in that account will be totally yours (subject to any applicable contractual deferred sales charges). As long as your withdrawal meets the Qualified Distributions rules, there will be no federal income tax due (or state income tax in most states). Contribution limits for 2014 are \$17,500 or \$23,000 if age 50 or older.

We appreciate the time you have taken to review this information and look forward to having a conversation with you to see how we can best meet your financial goals. If you have any questions, please contact Terry Moore, or Laura Hill (229) 896-3436.