

Take Control of Your Taxes with a 403(b) Plan



TAX-SHELTERED
ACCOUNT

The IRS usually has the final word about when you have to pay federal income taxes. Wouldn't you like to have some say about how much you have to pay?

Now you can! With a 403(b) retirement plan, your pre-tax contributions reduce your taxable income and your earnings compound, tax-deferred, until you are eligible to make a withdrawal.

Reduce your taxes today

Here's an example of how 403(b) contributions can help you reduce your federal income tax bill. If your salary or tax bracket is higher, you save even more!

Assuming you have a \$50,000 income and a federal income tax bracket of 22%	With 403(b)	Without 403(b)
Annual Salary	\$50,000	\$50,000
403(b) contribution	\$5,000	\$0
Taxable earnings	\$45,000	\$50,000
Annual federal income tax savings @ 22%	\$1,100	\$0
After-tax cost of 403(b) contribution	\$3,900	N/A

The above example is for illustrative purposes only and is not intended to represent the performance of any particular investment product or real investor.

Your actual return and tax bracket aren't likely to be consistent from year to year, and there is no guarantee that a specific rate of return will be achieved. This example assumes the investor was in the 22% tax bracket based on \$38,701 to \$82,500 income for an individual filing a single return based on tax laws and regulations in effect January 1, 2018. Tax rates and brackets are subject to change. This information is not intended as tax advice. Consult your tax professional about your particular situation. Withdrawals are taxed as ordinary income in the year received. Tax penalties and penalties for early withdrawal may apply if funds are withdrawn prior to age 59½.

Call to learn how a tax-deferred 403(b) plan can help you reduce your taxes and save for retirement all at the same time.