

Sample article for organizations and employers (295 word count)

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Compare How Traditional and Roth IRAs Help Save Money

Both traditional and Roth IRAs help you save money for your retirement but offer different advantages. Here are highlights of some of their similarities and differences.

Features	Traditional IRA	Roth IRA
Eligibility to contribute	You can contribute if you (or your spouse if filing jointly) have taxable compensation but not after you are age 70½ or older.	Regardless of your age, you can contribute if you (or your spouse if filing jointly) have taxable compensation and your modified adjusted gross income is below certain amounts (see 2012 and 2013 amounts).
Type of contributions	You can deduct your contributions if you qualify .	You can only make after-tax (non-deductible) contributions.
Contribution limits	The most you can contribute to all of your traditional and Roth IRAs is the smaller of: <ul style="list-style-type: none">• For 2012, \$5,000, or \$6,000 if you're age 50 or older by the end of the year (\$5,500 or \$6,500 for 2013); or• your taxable compensation for the year.	
Contribution deadline	Your tax return filing deadline (not including extensions). For example, you can contribute for 2012 until April 15, 2013.	
Withdrawals	You can withdraw money anytime.	
Required minimum distributions	You must start taking distributions by April 1 following the year in which you turn 70½ and by December 31 of later years.	Not required if you are the original owner.
Tax on withdrawals and distributions	You must include in gross income any deductible contributions and earnings that are distributed and may have to pay an additional 10% early withdrawal tax unless you are age 59½ or qualify for another exception .	None, if it's a qualified distribution . Otherwise, part of the distribution may be taxable and you may have to pay an additional 10% early withdrawal tax unless you are age 59½ or qualify for another exception .

NOTE TO EDITOR: The following are some helpful related resources on IRS.gov:

- [Publication 590, Individual Retirement Arrangements \(IRAs\)](#) – explains the contribution limits for traditional and Roth IRAs, deducting traditional IRA contributions and tax on traditional IRA and Roth distributions.
- [Individual Retirement Arrangements](#) – details of both traditional and Roth IRAs, including how you can move money into these accounts from your employer’s retirement plan and whether you qualify to take the Saver’s Credit for your contributions.
- [Required Minimum Distributions](#) – explains who must take these distributions and when, and links to worksheets to help calculate the amount of the distributions.
- [Traditional and Roth IRA FAQs](#) – answer many common questions, including what type of investments you can make with your IRA funds.

On Twitter? Send these Tweets:

- Learn how to start an #IRA to save for your retirement <http://go.usa.gov/gnyF> #IRS
- Get answers to frequently asked #IRA questions <http://go.usa.gov/rypP> #IRS