



THE *TRUTH* ABOUT QUALIFIED ACCOUNTS

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THINGS YOU DIDN'T KNOW ABOUT QUALIFIED PLANS

Qualified Plans

Are Annuities for the Government

The government makes you think they're giving you a deal by allowing you not to pay taxes on some of your money now. But in exchange, you're going to pay at the future tax rate on everything you put away plus all the growth from those investments—during your retirement, which is when you need your money most.

Did you know?
401K, 403B, 457
EVEN IRA

These are just sections of the U.S. Tax Code. (An IRA is from § 408)

IT'S YOUR MONEY WHY CAN'T YOU USE IT?

Government Partnership

If someone came to you and said, "Hey, let's go into business. You put up all the money, you take all the risk, and in thirty years, I will tell you what you owe me," would you do it? Of course not! But isn't that the deal the government is making with you when they offer you a place to put your money in a qualified plan?

ACCESS

You can't touch it without penalty before age 59½. But then you have to access it and pay taxes on it at 70½.



TAXES

Would you rather pay taxes on a small amount today or taxes on a large amount later? And later, most your deductions will be gone.



RISK

Whether your investment performs or not, you're going to pay taxes. So the government is making you take all the risk.