



IRAs

Planning for your future is easy to do with CWCU and our exceptional IRAs. Individual Retirement Accounts are an investment account for retirement or educational purposes. IRAs offer higher returns than basic savings accounts as well as tax advantages.

Joint owners are not permitted on IRA accounts; each individual must have their own accounts. A member may have several IRA accounts, but the IRA regulation limits Traditional and Roth IRA total contributions to \$5,000 unless the member is over 50 years old, then the limit is \$6,000 per person or a 100% contribution, whichever is less. The limit for Coverdell IRAs is \$2,000 per person. Rollovers into IRAs may be any amount.

For complete details on tax information regarding IRAs, please contact a tax advisor. IRA accounts are insured by the NCUA up to \$250,000. If you would like to open an IRA account, please contact CWCU at 616.261.5657.

TYPE	DESCRIPTION	ELIGIBILITY	BENEFITS AND TAX CONSIDERATIONS
Traditional IRA	-An Individual Retirement Account (IRA) allows a member to save money for retirement while allowing the savings to grow tax free.	-Contribution limit \$5,000 unless the member is over 50 years old, then the limit is \$6,000. -Contributions may be tax deductible. Please contact your tax advisor for details.	-Allows members to make their own decisions about the investments in their retirement account. -Invest in stocks, mutual funds, bonds and more. -Earnings are tax deferred. -Ability to rollover 401K plans.
Roth IRA	-A Roth IRA allows members to save money for use in retirement while allowing the savings to grow tax free. -All of the tax benefits associated with a Roth IRA apply when withdrawals are made; withdrawals are subject to certain rules and are not taxed.	-Contribution limit is \$5,000 unless the member is over 50 years old, then the limit is \$6,000. -Contributions are not tax deductible. -Taxable adjusted gross income must be under \$110,000 for an individual filer and \$160,000 for a joint filer.	-Allows members to make their own decisions about the investment in their retirement account. -Earnings growth is tax free. -No required minimum distributions from the account.
Annuities	-Annuities offer a combination of features and benefits that may not be found with other retirement products.	-No restrictions on income. -Age limitations do apply.	-Earnings and interest grow tax deferred. -Distributions of earnings are taxable.
Coverdell IRA	-A Coverdell IRA, also known as Coverdell Education Savings Account, is an investment tool for the purpose of paying for the future cost of a child's post secondary education.	-Contribution limit is \$2,000 each year until the child reaches the age of 18-years-old. -Contributions are not tax deductible. -Taxable adjusted gross income must be under \$95,000 for an individual filer and \$190,000 for a joint filer.	-Allows family members to save for educational costs at a higher savings rate. -Ability to roll over funds into another Coverdell IRA. -Students may make tax free withdrawals including earnings. Some restrictions may apply.