

## How Do Roth Conversions Work?



The Roth conversion option allows qualifying taxpayers to electively convert some or all of their traditional IRA, 401(k), 403(b), or 457(b) savings to Roth IRA savings. For conversions that are made during 2010, federal law allows taxpayers to delay taxes by electing to include the taxable portion of the 2010 conversion amount in taxable income for 2011 and 2012.

- Tax-free growth- important for those who think income tax rates are likely to go up
- Tax diversification-crucial from a retirement income planning perspective
- No required distribution at age 70 ½- a key feature for individuals interested in leveraging their retirement savings as part of a financial legacy
- Peace of mind- for many retirees, simply not having to worry about whether income tax rates will increase in the future is priceless

**Advanced Roth IRA strategies** - call for details.

Do not wonder whether the Roth IRA is right for you and your family, call Karp Capital to request your Roth IRA Conversion Analysis (415) 345 8185.