



How do you envision your retirement?

Spending time with
family and friends?

Volunteering in
your community?

Visiting all
50 states?



Where will your income come from?

Social Security?

Regular Savings?

Other Investments?

Your 401(k) Plan!

What is a 401(k) plan?

The term 401(k) refers to a section of the Internal Revenue Code that permits deferring taxes on retirement savings deducted directly from payroll.

The federal government and most state governments have enacted policies to permit federal income tax deferrals to encourage appropriate savings for retirement.



The pre-tax advantage

Saving with tax-deferred dollars means you don't pay federal or state taxes on the money you save until you withdraw it, usually at retirement.*

Withdrawals must begin no later than April 1 of the calendar year following the later of:

- The calendar year in which the participant attains age 72*
or
- Any individual that reached age 70½ prior to 12/31/21
(per the SECURE Act)
or
- The calendar year in which the participant retires

*In the state of PA, contributions are tax deferred on a federal basis, but taxable for state income rules.



Pre-tax Take-home Advantage

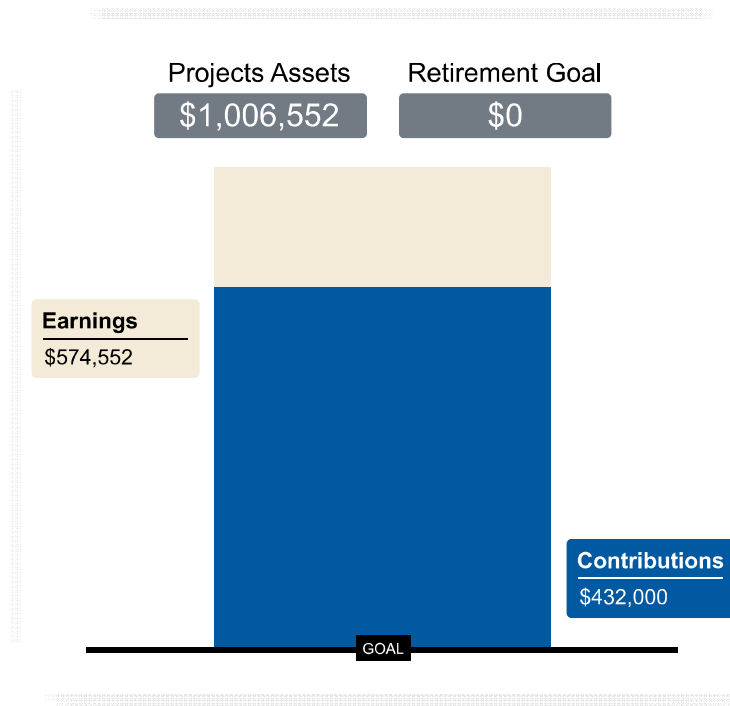
	Without 401(k)	Pre-tax deferrals
ANNUALIZED GROSS PAY	\$35,000	\$35,000
401(k)	0.00	-1,750
Taxable Pay	35,000	33,250
Federal Income Tax	-4,789	-4,526
FICA (7.65%)	-2,678	-2,678
Conventional Savings Account	-1,750	0.00
NET TAKE-HOME PAY	\$25,783	\$26,046

ANNUALIZED SAVINGS: \$263

Potential for \$1 million
by age 65, starting at age 50

Save for your retirement!

Start as early as you can
because you may be able to
save more money with less
money invested!



These calculations are provided for illustrative purposes only, and should only be used as a guideline. They are not representative of past or future performance and not a replacement for professional financial planning advice. Actual investment results will vary.

About You

Annual Salary

Tax Information
Federal Rate: 21.19% State Rate: 0% FL

Current Age

Retirement Age

Per Month Contribution Percent

Employer Match Percentage

Investment Return Percentage

Manage Your 401(k) Account

By Laptop/PC, or any of your
mobile devices 24/7

Access online at:

<https://www.paychexflex.com>

Remember:
You're in Control!