

Traditional IRA

Key Advantages	- Tax-deferred growth - Possible tax deduction
Eligibility	You must be under age 70½ and have earned income. Earned income includes wages, salaries, tips, professional fees, bonuses, commissions, self-employment income, alimony and separate maintenance payments.
Limit for Tax Year 2010	\$5,000
Additional “catch-up” contribution for those between ages 50 - 70	\$1,000
Deductibility of contributions	Your ability to take a deduction depends on many factors. See table on reverse side for more details.

Q Can I make a contribution and designate it for the prior tax year?

A Yes, if it is made by April 15th.

Q I am under 50 years old. For 2010, can I contribute \$5,000 to my Traditional IRA and \$5,000 to my Roth IRA?

A No, you are limited to \$5,000 in total.

Q Is there an investment minimum?

A Yes. It is \$2,000 per Fund.

Q Is there an annual fee?

A Yes. If your IRA balance is less than \$10,000, there is a charge of \$15 per year.

(Continued on other side)

Traditional IRA Deductibility

Q Is my Traditional IRA contribution tax deductible?

A Maybe. If you participated in an employer-sponsored retirement plan in 2010, the deductibility of your contribution will be determined by your tax filing status, Modified Adjusted Gross Income (MAGI) and age. See the table below.

Tax Year 2010: Traditional IRA Deduction Limits			
Tax Filing Status	MAGI	Less than 50 years old	50 - 70 years old
Single Filer	<\$56,000	\$5,000	\$6,000
	\$56,000 - \$66,000	Partially deductible	Partially deductible
	\$66,000+	No deduction permitted	No deduction permitted
Married, Filing Jointly	<\$89,000	\$5,000	\$6,000
	\$89,000 - \$109,000	Partially deductible	Partially deductible
	\$109,000+	No deduction permitted	No deduction permitted

Q I am a non-working spouse and we will file our taxes jointly. Can a contribution be made to my IRA even though my spouse was a participant in an employer-sponsored retirement plan?

A Maybe. As a non-working spouse, you have your own MAGI deduction range of \$167,000 – \$177,000 in 2010.

Q My tax filing status is single and I was not a participant in an employer-sponsored retirement plan during the tax year. Is my contribution completely deductible?

A Yes.

Q My spouse and I are filing our taxes jointly and neither one of us were participants in an employer-sponsored retirement plan during the tax year. Are our contributions completely deductible?

A Yes.

***For more information or to open a Traditional IRA, please contact
a Sit Mutual Funds Investor Services Representative at:
800-332-5580***