

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 2012	\$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. 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, 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 2012: Traditional IRA Deduction Limits			
Tax Filing Status	MAGI	Less than 50 years old	50 - 70 years old
Single Filer	<\$58,000	\$5,000	\$6,000
	\$58,000 - \$68,000	Partially deductible	Partially deductible
	\$68,000+	No deduction permitted	No deduction permitted
Married, Filing Jointly	<\$92,000	\$5,000	\$6,000
	\$92,000 - \$112,000	Partially deductible	Partially deductible
	\$112,000+	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 \$173,000 – \$183,000 in 2012.

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***