

	<b>Traditional IRA</b>	<b>Roth IRA</b>	<b>Coverdell Education Savings Account (CESA)</b>
Who is eligible to contribute?	Individuals with earned income or who have received alimony may contribute. Contributions may not be made for or after the year in which you reach age 70 ½.	Individuals with earned income or who have received alimony may contribute. Accounts are available to couples with MAGI of up to \$166,000 and singles up to \$105,000. If your MAGI exceeds the above limits, partial contributions may be made in certain cases. Please consult a Personal Banker for specific information.	Anyone, whether related to the account beneficiary or not, may contribute toward the combined maximum of \$2,000, provided their earned income is less than \$220,000 (for married couples filing jointly) or \$110,000 (individual). If your earned income exceeds the above limits, partial contributions may be made in certain cases. Please consult a Personal Banker for specific information.
Contribution Limits	Each year you can contribute all or part of compensation, up to: 1) Individual taxpayer=\$5,000 2) Married taxpayers=\$10,000, where both spouses have earned income 3) Spousal IRA=\$10,000 for married taxpayers filing jointly.  Catch-Up Contributions – Workers age 50 & older before the end of the taxable year can make additional contributions of \$1000 above the maximum limit.	Each year you can contribute all or part of compensation, up to: 1) Individual taxpayer=\$5,000 2) Married taxpayers=\$10,000, where both spouses have earned income 3) Spousal IRA=\$10,000 for married taxpayers filing jointly.  Catch-Up Contributions – Workers age 50 & older before the end of the taxable year can make additional contributions of \$1000 above the maximum limit.	Any one beneficiary (student) may have only \$2,000 contributed on his or her behalf for any given year, regardless of the number of CESAs of which he or she is the beneficiary.
Tax Information	All the earnings you accumulate in your IRA remain tax-sheltered until withdrawn.	All earnings accumulated in your IRA remain tax sheltered and if they remain in the account for a period of five successive tax years they can be withdrawn tax-free. There are certain criteria that must be met to enjoy tax-free and penalty-free distributions.	All distributions of earnings are tax-free & can be withdrawn at any time, either in total or partially, if they are used for qualified education expenses. Any balance remaining when the beneficiary turns 30 must be distributed or rolled over to a new account for the benefit of another family member.
Withdrawal Penalties	Withdrawals (distributions) are permitted any time after age 59 ½ but must start by April 1 <sup>st</sup> following the year in which the participant reaches age 70 ½. After age 59 ½, you may make withdrawals even if you continue to earn income. It is not necessary to be retired in order to make withdrawals.	There could be a 10% penalty for withdrawing all or any part of the earnings. Taxable distributions are not subject to the 10% early withdrawal penalty if the individual is 59 ½, deceased, disabled or if taking equal period payments over his or her life expectancy for at least 5 years or until age 59 ½, whichever comes later, or for college expenses, first-time home purchase up to \$10,000, certain medical expenses and certain other uses.	There are no penalties for withdrawals as long as the funds are used to pay for qualified education expenses.