



Diversified sources of retirement funding

Saving

Account type	Investment earnings/ withdrawals	Included when calculating whether:	
		Income taxes owed?	Social Security % taxed? Medicare surcharges?
Health Savings Account	Tax-free withdrawals (for qualified health care expenses) ¹		
Roth 401(k)/IRA	Tax-free withdrawals ²		
Taxable Account	Tax-exempt interest		☑
	Ordinary dividends Taxable interest	☑	☑
	Qualified dividends	☑	☑
	Realized capital gains	☑	☑
Pre-tax 401(k)/ Traditional IRA	Taxable withdrawals (ordinary income)	☑	☑

Retirement funding sources are not created equal

Be aware of:

- Income taxes
- How much Social Security benefit is subject to tax
- Additional required Medicare premiums

Qualified withdrawals from Roth or Health Savings Accounts can provide tax-free funding that will not result in reduction of government benefits.

This is not intended to be individual tax advice; consult your tax professional.

¹Must have a qualifying high-deductible health plan to make contributions. Funds in the HSA may be withdrawn tax free for qualified medical expenses unless a credit or deduction for medical expenses is claimed. After age 65 funds also may be withdrawn at ordinary income tax rates without penalty for any reason.

²Subject to 5-year Roth account holding period and age requirements.

Source: J.P. Morgan Asset Management.