

This comparison chart shows how the two components of the 401(k) plan (the regular pre-tax 401(k) and the post-tax Roth option) work together to provide a balanced retirement income. We suggest that you check with your tax advisor before making any decision on Roth after-tax contributions.

	Pre-Tax 401(K) Example	Post-Tax Roth 401(k) Example
Contribution- Deferral Percentage	10%	10%
Salary	40,000	40,000
Less Pre-Tax 401(k) Contribution for Year	(4,000)	0
Taxable Income	36,000	40,000
Less Income Tax (25%)	(9,000)	(10,000)
Less Post-Tax Roth 401(k) Contribution for Year	0	(4,000)
Net Take Home Pay	27,000	26,000
Withdrawals at Retirement	Taxable	Tax-Free