



# A GUIDE TO YOUR CONTRIBUTION OPTIONS

The ADP TotalSource Retirement Savings Plan (the “Plan”) gives you even more flexibility to save for retirement by providing pre-tax and Roth contribution options. Each option affects when your retirement contributions will be taxed.

Before you decide which option is right for you, it’s best to understand the features and requirements of both pre-tax and Roth contributions. Please consider consulting with an independent tax advisor to evaluate the impact both contribution types might have on your long-term savings strategy.

## Your options at a glance

The following chart will help you evaluate the differences between pre-tax and Roth contribution options.

	PRE-TAX	ROTH
<b>How much can I contribute?</b>	You can contribute up to the IRS limits and make additional contributions if you are over the age of 50. For current IRS limits, refer to the <b>IRS Limits Notice</b> .	
<b>How do my contributions affect my taxes?</b>	Contributions are before-tax and reduce your current federal and state taxable income dollar-for-dollar which may lower the taxes you pay today.	No current tax savings; your contributions are after-tax when made.
<b>How do earnings affect my taxes?</b>	Assets grow tax deferred, meaning you don't pay any taxes until you take a withdrawal.	Assets grow tax free, meaning you don't pay any taxes on earnings. See below for additional details.
<b>Withdrawal tax treatment</b>	Before-tax contributions, employer contributions (if available) and any related investment earnings are taxed as ordinary income.	Roth contributions are not subject to income tax when withdrawn, and related investment earnings on Roth contributions may be withdrawn tax-free if you have a distributable event under the plan and the criteria for a qualified distribution are met. Related earnings that are not a qualified distribution are taxed as ordinary income when withdrawn.  For complete plan rules, please contact Voya at (855) 646-7549.
<b>Required distributions</b>	The required age for an RMD beginning date is delayed for participants and spousal beneficiaries of a participant that died prior to reaching the RMD beginning date. RMD Age is defined as: (i) age 75 if you attain age 73 after December 31, 2032, (ii) age 73 if you attain age 72 after December 31, 2022, but attain age 73 before January 1, 2033, (iii) age 72 if you attain age 70 ½ after December 31, 2019, but attain age 72 before January 1, 2023, and (iv) age 70 ½ if you attain age 70 ½ prior to January 1, 2020	Roth balances and applicable earnings are exempt from Required Minimum Distributions (RMDs) during your lifetime.
<b>Advantages</b>	<ul style="list-style-type: none"> <li>Reduce current income taxes.</li> <li>Taxation deferred until withdrawal.</li> </ul>	<ul style="list-style-type: none"> <li>No taxes on qualified distributions.</li> <li>Minimum distributions are not required in your lifetime.</li> <li>No income limits for an individual (which may apply for a Roth IRA.)</li> </ul>

A qualified distribution of Roth after-tax amounts requires the following criteria be met:

- You are at least age 59½, or have become disabled, or upon your death
- The funds must have been held for a 5-year holding period dating from the earlier of:
  - > The first year of your Roth contribution
  - > If you made a direct rollover from another plan with a designated Roth account, the first year you made the Roth contribution to that account.



## Wondering if you should contribute pre-tax, Roth or both?

It might help to compare how various contributions could affect your take-home pay today and your retirement income for tomorrow. This handy calculator can help you compare the differences between pre-tax and Roth options.



[USE THE CALCULATOR](#)



## Questions?

Call the Plan Service Center at **(855) 646-7549** and press 0 to speak to a Customer Service Associate. They're available from 8:00 a.m. to 8:00 p.m. Eastern Time, Monday through Friday (excluding New York Stock Exchange holidays).