

Catch the big one. Open a Roth IRA and reel in the savings— tax free!

The lure of tax-free money is why many opt for the Roth IRA. If you're eligible to make Roth IRA contributions, you too may want to save with a Roth IRA.

Learn more today.

For More Information

The questions and answers contained in this brochure are simplified. Before making any decisions, LCEF encourages you to consult with your tax advisor.

For more information or questions, call LCEF at 800-843-5233.

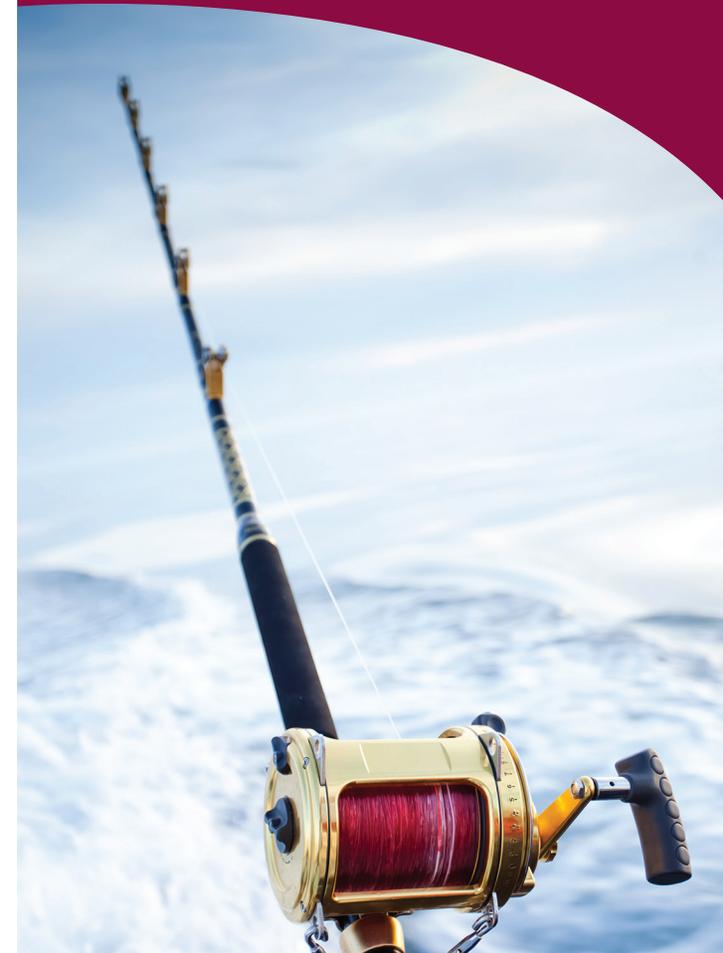
Lutheran Church Extension Fund

10733 Sunset Office Drive
Suite 300
St. Louis, MO 63127-1020
800-843-5233
lcef.org

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Reeling in Your Retirement Savings With a Roth IRA



 **Lutheran Church Extension Fund**
> where investments build ministry

“The potential for tax-free income during retirement is just one of the many reasons I opened a Roth IRA.”

Why cast your line for a Roth IRA?



The Tax-Free Lure

With a Roth IRA, you can look forward to receiving tax-free distributions.

- Withdraw from your Roth IRA as much as the total amount you’ve contributed—without paying tax. Because the money you put into a Roth IRA is not deductible it is not subject to income tax or IRS penalty tax when you take it out later.
- If certain conditions are met, you also can take out the earnings in your Roth IRA tax free.

Don’t Catch More Than Your Limit

Take a Look at Your Income

If your modified adjusted gross income (MAGI) falls below the current IRS income limits, you are eligible to make a full contribution to a Roth IRA. If your MAGI falls within the limits, you are eligible to make a partial contribution to a Roth IRA. If your MAGI is more than the highest limit, you are not eligible to contribute to a Roth IRA for the year.

MAGI limits depend on your federal tax filing status, and may change from year to year.

Modified Adjusted Gross Income Limits*

Year	Single Filer	Married/ Joint Filer	Married/ Single Filer
2018	\$120,000– \$135,000	\$189,000– \$199,000	\$0–\$10,000
2019	\$122,000– \$137,000	\$193,000– \$203,000	\$0–\$10,000

The Making of a Tax-Free Distribution



Know How Much You Can Contribute

A full contribution to a Roth IRA equals 100 percent of your earned income for the year up to the annual contribution limit. This amount is reduced by any amounts contributed to a Traditional IRA because the annual limit applies to both Roth and Traditional IRAs together.

Annual Contribution Limits*

Year	Regular	Catch-Up (age 50 or older)
2018	\$5,500	\$1,000
2019	\$6,000	\$1,000

Other Ways to Hook That Roth IRA

Making contributions isn’t the only way to get money into a Roth IRA. If you own a Traditional IRA, you’re allowed to convert your Traditional IRA to a Roth IRA, which may be of interest to you if you’re not eligible to make a Roth IRA contribution.

If you have an employer-sponsored retirement plan and are eligible to take a distribution, you may be able to roll it over to a Roth IRA.

Keep in mind that with both a conversion and a rollover to a Roth IRA, you must include any pretax money moved into the Roth IRA in your taxable income for the year that the transaction took place. And, as of January 1, 2018, you cannot recharacterize, or undo, a conversion or this type of rollover.

Before contributing, converting, or rolling over to a Roth IRA, consider talking with a competent tax advisor to help you make a decision that best meets your goals.

*These limits are subject to annual cost-of-living adjustments.