

**A SUMMARY OF
I R A'S**

TRADITIONAL <i>Available Since 1/1/75</i>	ROTH <i>Available Since 1/1/98</i>
Can be Tax Deductible	Never Tax Deductible
Income is Tax Deferred	Income is Tax Free
Has a "Active Participation" Test	No "Active Participation" Test but does have a AGI Limitation (Amount depends on filing status)
If AGI < \$ 100,000 can be converted to ROTH	Withdrawal are "Contributions First"
RMD's start at @ age 70 ½	No RMD rules to owner
Annual Limits increasing 2002-2006	Annual Limits increasing 2002-2006
New "catch up" provision for taxpayers 50 & older	New "catch-up" provision for taxpayers 50 & older
Must have earned income to contribute (spousal rules apply)	Must have earned income to contribute (spousal rules apply)

Luongo & Associates, PC
6223 Crain Highway, Upper Marlboro, Md. 20772 (301) 952-9437