Rolling Assets Into Your Retirement Plan

Many employer sponsored retirement plans allow participants to rollover assets from previous retirement plans or IRAs into the plan. You can verify this either in the Summary Plan Description (SPD) provided by your plan or by contacting your benefits department.

Consolidating your retirement assets into your retirement plan has many benefits, including:

- **One statement** – Reduces waiting for and looking at multiple quarterly and annual reports.
- **One web site** – Only one user name and password to remember to view your retirement assets.
- **One service center to call** – One phone number to call in order to perform a transaction or to have questions answered.
- **Ability to take a loan** – Many retirement plans allow participants to take loans from their plan assets; IRAs do not. Look in the Summary Plan Description or contact the Plan Administrator in order to find out if your plan allows for loans.
- **Penalty exception after age 55** – If you terminate employment at age 55 or older, distributions can be taken from the plan without having to pay the 10% penalty.
- **Lower cost investments** – A number of retirement plans offer shares of investments that have lower expenses than retail investments.
- **Ability to separate pre and after-tax IRA assets** – If you have an IRA that contains both pre-tax and after-tax sources, the pre-tax assets can be rolled into your retirement plan. If you roll all pre-tax assets from all IRAs (including SEPs and SIMPLEs), you will be isolating the after-tax dollars. These can then be converted to a Roth IRA without any tax consequences.

Speak with your plan's Financial Advisor to evaluate whether this strategy fits your portfolio. In addition, consult your tax professional before proceeding.

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