

457B PLAN

WHAT IS A 457(B) PLAN?

- Section 457 (b) of the Internal Revenue code.
- It can help you save and invest extra retirement money.
- You can voluntarily set aside some of your income before you pay current taxes.
- Contributions to the plan through voluntary salary deferral and any earnings can grow tax deferred until withdrawn, usually during retirement

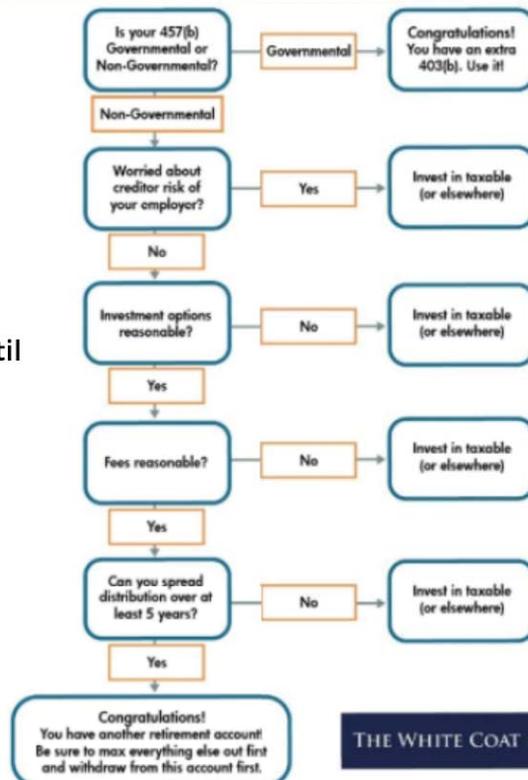
BENEFITS OF A 457(B) PLAN?

#1 Additional savings- the main benefit of using a 457(b) plan is you basically get another retirement plan similar to your 403(b). you can double your tax deduction and double your savings.

#2 No Early Withdrawal Penalty
457(b) plans are not subject to the Age 59 1/2 rule, meaning you can access the money without penalty as soon as you leave the employer. They're a great option to spend during early retirement. You just withdraw from the 457(b) first and leave your other retirement accounts until your 60s and later.

#3 Asset Protection
Like most retirement plans, 457(b) plans are good asset protection vehicles since they are generally protected from YOUR creditors. Governmental 457(b) plans are held in trust. Non-governmental 457(b) plans are subject to the creditors of your employer.

Should You Use Your 457(b) Account?



THE WHITE COAT INVESTOR

