

IRA Comparison Chart

Features	Traditional IRA	Roth IRA	Coverdell ESA***
Who Can Contribute?	Anyone under age 70½ who has income from compensation (or who is filing jointly with a spouse who earns compensation)	Anyone who earns compensation (or who is filing jointly with a spouse who earns compensation) with the following modified adjusted gross income: <ul style="list-style-type: none"> • Up to \$95,000 (single filers) • Up to \$150,000 (joint filers) 	You can contribute the full amount if you are a: Single filer with modified adjusted gross income (MAGI) up to \$95,000 Joint filer with MAGI up to \$190,000
How much can I contribute?	If you meet the eligibility tests described above and you are under age 50, you can contribute up to \$4,000 for 2005 through 2007. For owners age 50 and older, your limits increase to \$4,500 for 2005, and \$5,000 for 2006 and 2007.	If you meet the eligibility tests described above and you are under age 50, you can contribute up to \$4,000 for 2005 through 2007. For owners age 50 and older, your limits increase to \$5,500 for 2005, and \$5,000 for 2006 and 2007	The total contributions each year to each child's Coverdell ESA cannot exceed \$2,000.
What are the tax benefits*?	Many people can deduct contributions on their tax returns. All earnings are tax-deferred. Taxable distributions of earnings are penalty-free for a first time home purchase**, certain higher-education expenses and large medical costs.	Contributions are non-deductible but qualified distributions are tax-free. Taxable distributions of earnings are penalty-free for a first-time home purchase**, certain higher-education expenses and large medical costs	Withdrawals for certain education expenses are tax-free. Special-needs beneficiaries can withdraw funds tax-free to pay for qualified education expenses at any age. Qualified education expenses may include tuition, fees, books, computer equipment and technology required for elementary, secondary and post-secondary education. A beneficiary may receive tax-free distributions from an Education IRA in the same year he or she claims the Lifetime Learning or HOPE Scholarship tax credits.

* list not all-inclusive

** Lifetime limit for exemption on a first-time home purchase is \$10,000 per person.

*** Coverdell Education Savings Account

Note: This chart is for general information only and is not intended to provide specific advice or recommendations for individuals. We suggest you contact your tax advisor in regards to your personal IRA plan.