



## Concordia Retirement Savings Plan

### Which savings option is right for you?

Everyone's financial situation is different. That's why the Concordia Retirement Savings Plan (CRSP) 403(b) provides flexibility – so you can choose the option that's best for you. The CRSP 403(b) allows you to make after-tax Roth contributions as well as pretax contributions. You can elect to make Roth contributions, traditional pretax contributions or a combination of Roth and pretax contributions to prepare for your retirement years.

#### What are the differences between the traditional pretax vs. Roth contributions?

##### Pretax 403(b) Savings Option

VS

##### Roth 403(b) Savings Option

- Contributions to the CRSP are remitted on a pretax basis.
- Income taxes are calculated after your contributions are withheld, lowering your taxable income and potentially your tax bracket.
- Earnings grow and compound year after year without being reduced by taxes.
- Distributions from your account will be subject to ordinary income tax only when withdrawn.

- Contributions to the CRSP are remitted on an after-tax basis.
- Earnings on Roth contributions are generally tax-free if certain conditions are met.
- Distributions from a Roth account are typically tax and penalty free, provided:
  - > *the Roth account has been held for a minimum of five years, and*
  - > *you have reached age 59 1/2, become disabled, or die.*

#### REMEMBER:

If you are a minister of religion or a rostered worker, you should consider your housing allowance exclusion and SECA tax circumstances when considering Roth contributions. Always consult a tax or financial professional before making personal financial decisions.

Active workers can learn more about their CRP benefits by visiting Retirement Connection through the Member Portal [ConcordiaPlans.org/MemberPortal](https://ConcordiaPlans.org/MemberPortal). After you log in, select "Retirement Connection" from the "Quick Links" menu. All CRP members can access Retirement Connection directly at [RetirementConnection.ehr.com](https://RetirementConnection.ehr.com). The first time you visit the site, you'll need to create an account.

# Common Questions

## Who might want to consider the traditional pretax option?

- Workers who expect to be in a lower tax bracket after retirement, and
- Ministers of religion who pay SECA taxes, as the immediate 15.3% savings received in the pretax option would not be realized in the Roth Option.

## Who might want to consider the after-tax Roth Option?

- Young workers who have more time to accumulate tax-free earnings,
- Workers who expect to pay a higher tax rate once they reach retirement, and workers who want to leave tax-free money to their heirs or other beneficiaries.

## Ready to contribute? Here's how you can get started:

- Active workers can log in to the Member Portal at [ConcordiaPlans.org/MemberPortal](https://ConcordiaPlans.org/MemberPortal) to update their savings rate online.
- All workers can go to [ConcordiaPlans.org/forms](https://ConcordiaPlans.org/forms) to print the Salary Deferral Agreement. Indicate on the form if you want to contribute using the Roth option, pretax option or both. Return the completed form to your employer.
- Both traditional pretax and Roth contributions count toward the IRS annual limit, the maximum amount you can contribute to a 403(b) or similar retirement savings plan in a calendar year. Double check that you do not exceed these limits.
- Pretax contributions to the CRSP can be converted to Roth contributions by doing an in-plan Roth conversion. The amount converted becomes taxable income at the time of conversion. Contact Fidelity at **800-343-0860** to get started.

## How do savings options affect an Employer Match?

Whether you contribute on a pretax or Roth basis will not affect your ability to receive any match your employer may offer. However, employer contributions are not treated as taxable income when contributed, but are taxed at distribution. Individual employers can choose whether or not to offer a match, so check with your employer to find out if a match is offered.



**HAVE QUESTIONS?**

### CALL

Concordia Plans  
**888-927-7526**

### VISIT

[ConcordiaPlans.org](https://ConcordiaPlans.org).

*You can also call Fidelity at **800-343-0860** for complimentary retirement planning and guidance.*