



UNITED STATES  
SENATE FEDERAL  
CREDIT UNION®

# ASK THE IRA EXPERTS



MEET THE TEAM &  
TOP 10 QUESTIONS ANSWERED



# WHY IRAS MATTER



- **Save for the future** with tax benefits and flexible contributions.
- **Select between Traditional or Roth** based on your goals.
- **Small contributions can grow over time** due to compounding.
- **Individually owned**—allowing personal control without a workplace plan.
- **Only 50% of U.S. households save for retirement; IRAs** simplify saving.



# MEET THE IRA EXPERTS



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IRA MANAGER



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SR. IRA SPECIALIST



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# TOP 10 IRA QUESTIONS – ANSWERED



From contribution limits to early withdrawals, we're breaking down the top 10 things you've asked us about IRAs.

## QUESTION # 1

# What's the difference between a Traditional and Roth IRA?



Traditional IRAs offer potential tax deductions now, with taxes due on withdrawals later. Roth IRAs are funded with after-tax dollars—qualified withdrawals are tax-free.





## QUESTION # 2

# How much can I contribute to an IRA each year?



For 2025, you can contribute up to \$7,000—or \$8,000 if you're age 50 or older. Your income and tax filing status may impact eligibility for Roth IRA contributions.



## QUESTION # 3

# When should I open an IRA?



As soon as you have qualified earned income you can start contribution to an IRA. This is unlike other retirement accounts that may require you to wait until you are 21.



## QUESTION # 4

# Can I have both a 401(k) and an IRA?



Yes! You can contribute to both.  
However, if you're covered by a workplace plan, your income may affect whether your Traditional IRA contributions are deductible.







## QUESTION # 5

# Can I take money out early if I need to?



Yes—but early withdrawals before age 59½ may be taxed and penalized. Exceptions exist for first-time home purchases, education costs, and more.

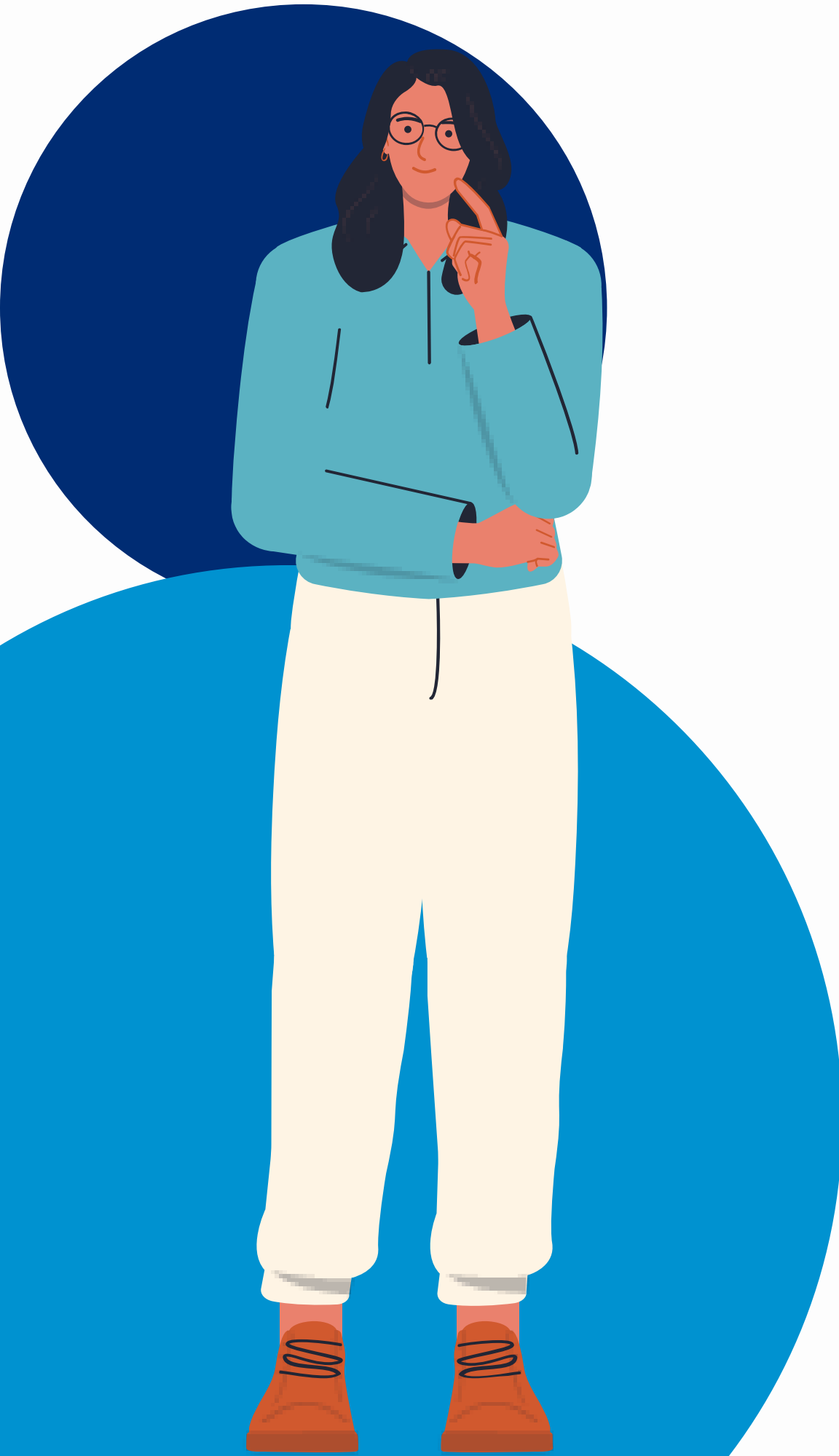


## QUESTION # 6

# What happens to my IRA if I change jobs?



Nothing changes—your IRA stays with you. You may also roll over funds from your old 401(k) into your IRA to keep your retirement savings in one place.



## QUESTION # 7

# What are Required Minimum Distributions (RMDs) and when do they start?



RMDs are mandatory withdrawals from Traditional IRAs starting at age 73. Roth IRAs are exempt. The amount is based on your account balance and life expectancy.

## QUESTION # 8

# What's a Qualified Charitable Distribution (QCD)?



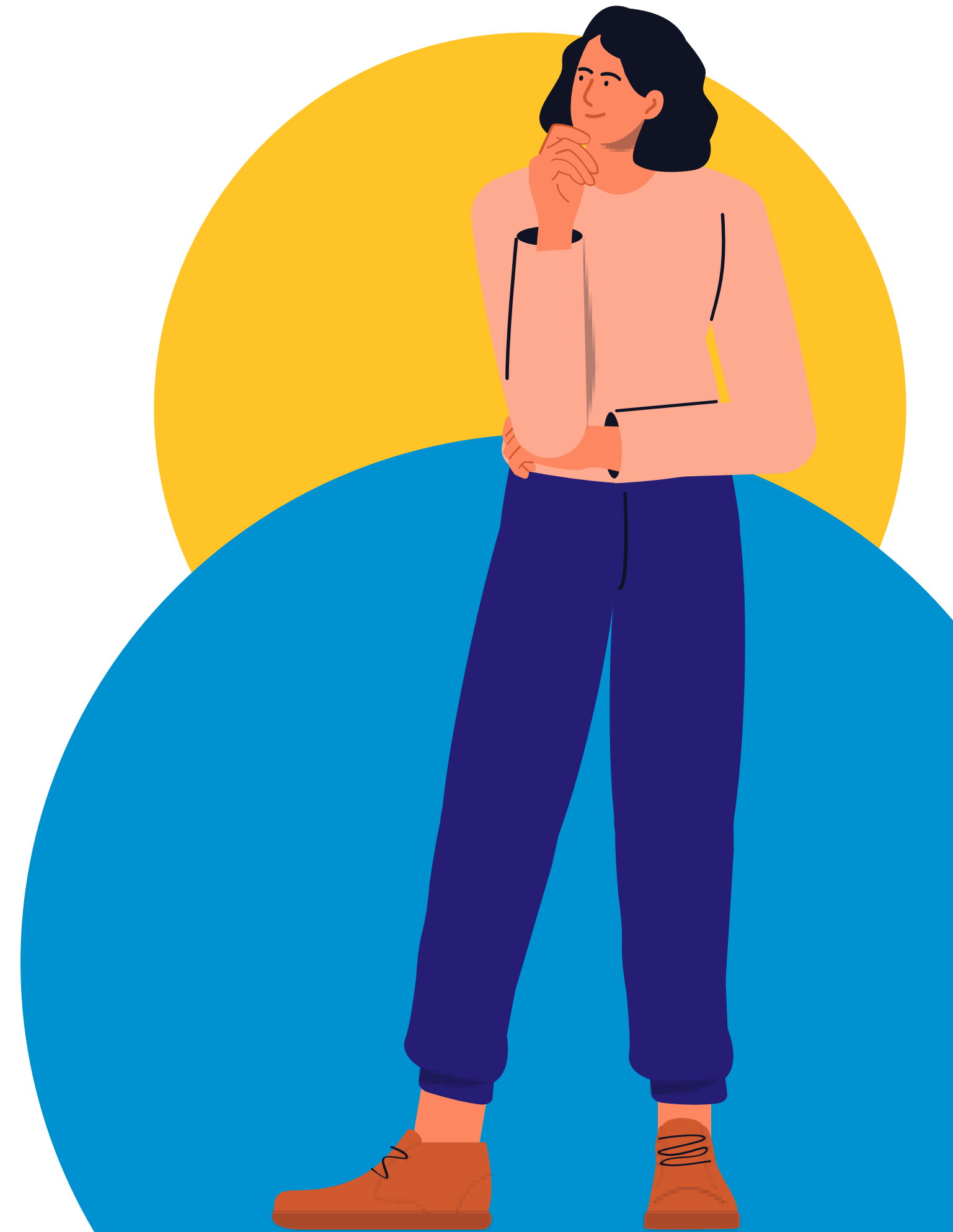
If you're 70½ or older, you can give directly from your IRA to charity. QCDs can count toward your RMD and reduce taxable income.

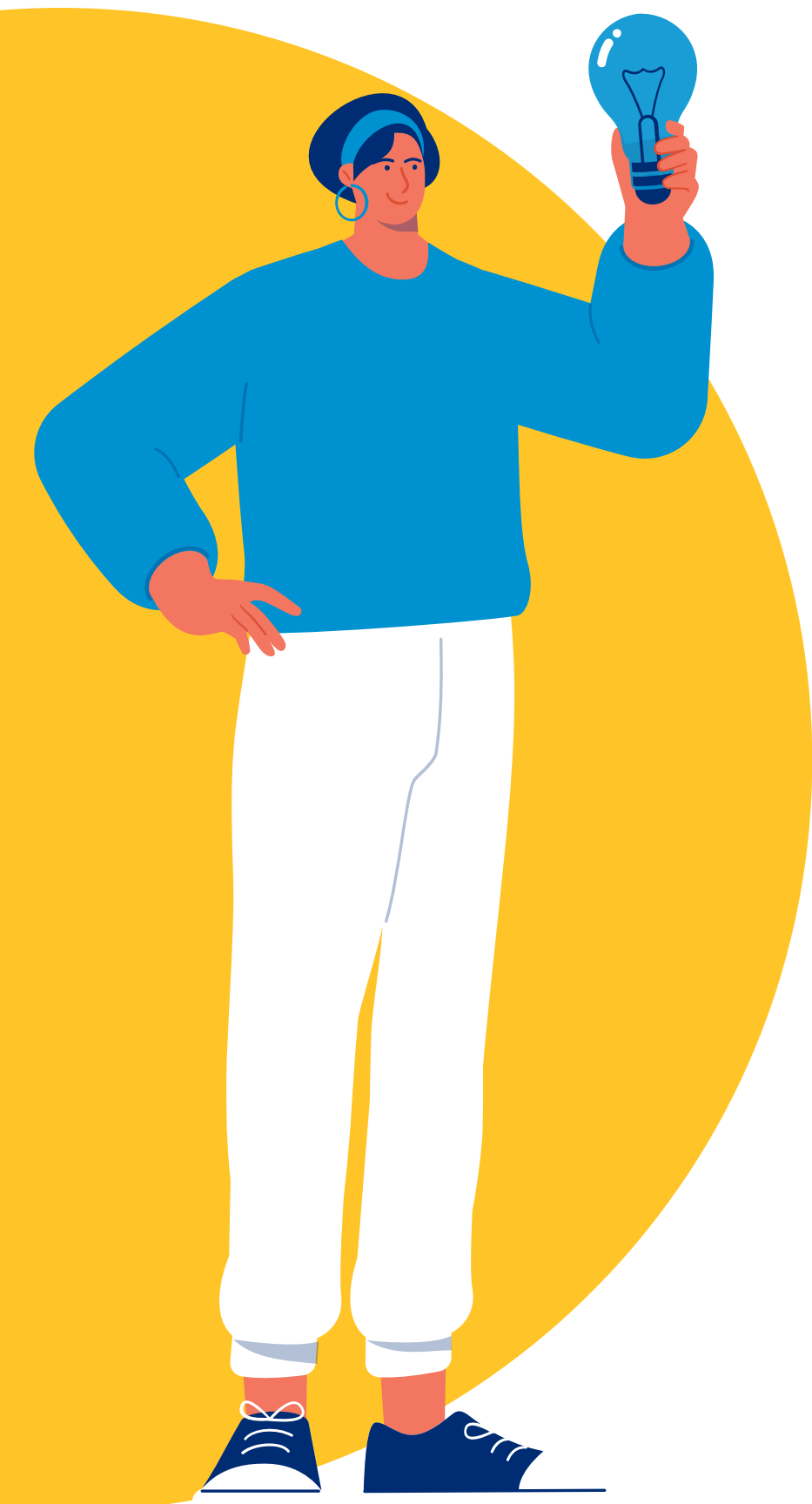


## QUESTION # 9

# How do I move retirement funds to another financial institution?

Depending on where the funds are currently will determine how you move the funds. If funds are in a 401k, you can request a rollover from the current institution. If funds are in an IRA, then a transfer request made with the receiving institution may be the best option.





## QUESTION # 10

# What's a Roth conversion and how is it taxed?



You can convert a Traditional IRA to a Roth. Taxes apply on any pre-tax amounts converted, but future qualified withdrawals are tax-free.



# FROM QUESTIONS TO CONFIDENCE



We've answered your biggest IRA questions—now let's cover a few things to avoid, highlight the habits that lead to success, and give you a chance to ask what's on your mind.



# TOP IRA MISSTEPS



- Missing the contribution deadline (typically April 15)
- Forgetting to take RMDs starting at age 73
- Taking early withdrawals without checking for penalties
- Assuming Roth IRA contributions are always allowed
- Not updating beneficiaries or consolidating old accounts
- Not investing the IRA



# WINNING IRA HABITS



- **Contribute regularly**, even if it's a small amount
- **Know your deadlines**—especially for contributions and RMDs
- **Revisit your IRA annually** to adjust for income or life changes
- **Keep learning**—tax laws and limits can change
- **Ask questions**—you don't have to figure it all out alone

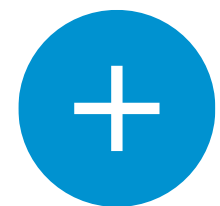
# OPEN Q&A



- We're here to help—no question is too small.
- Use the chat or Q&A box to submit your questions now.
- Let's get your IRA questions answered in real time!



# TAKE THE NEXT STEP



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**Call us:** 800.374.2758



**Email us:** [iraservice@ussfcu.org](mailto:iraservice@ussfcu.org)

**Let us help you plan with confidence!**

