PARK NATIONAL BANK

Retirement Accounts

Saving regularly can help secure your future.

You can count on us to help you plan for a retirement that meets your goals with an individual retirement account (IRA). Being prepared is necessary, but it doesn't have to be difficult. Each account has unique advantages and we'll work with you to choose the type that suits your retirement goals.

You can benefit from potential tax advantages[1], save money for retirement, and grow your funds. An IRA can also offer advantages to pass along money to your family or other loved ones. IRS regulations allow owners to extend IRA benefits to beneficiaries. You can elect for annual payments for the life of the recipient or for a fixed number of years or have a lump sum payment.

Know your choices

Traditional or Roth?

The two main options when it comes to IRAs are traditional or Roth. The key difference is the timing of when you pay taxes on the money you've saved. Both are offered as term and no term accounts.

With a traditional IRA, contributions may be tax-deductible and earnings are tax-deferred until you begin to withdraw your benefits. You may begin withdrawals at age 59-½ and required minimum distributions begin at 72. A traditional IRA gives you the flexibility to choose how and when you pay taxes: immediately after making a contribution, withhold all until the end, or select a percentage to withhold.

A Roth IRA allows for tax-deferred growth, as long as you meet the account requirements. Contributions have already been taxed and are not tax-deductible. If you have a Roth account for more than 5 years and are at least 59-½ years old, distributions are tax-free and penalty-free. You can even take certain early distributions without paying an early withdrawal penalty. This means those earnings from your IRA are considered tax-free. And, unlike a traditional IRA, a Roth does not have an annual required minimum distribution.

[1] Please consult the expertise of a tax advisor. Investments are not FDIC insured, not bank guaranteed, and may lose value.

IRA Rollover

You can rollover a qualified plan like a 401(k) plan, pension plan or other employer-qualified retirement plan into an IRA. This prevents you from having to pay taxes or withdrawal penalties at the time funds are transferred, and could help you defer income taxes for years.

Simple Employee Pension Plan (SEP IRA)

Employers can contribute directly to an employee's retirement savings with a SEP IRA. Only employers can make contributions, depositing funds into this type of IRA. One major advantage is up to 25% of an employee's pay can be contributed. SEPs are also generally 100% tax deductible and grow tax-deferred until withdrawn.

However you envision spending your retirement, we want to help you get there.