

**Attorney Timothy P. Crawford, CPA, CELA\*, CAP\*\***  
wanted to share this information with you.

## **TO ROTH OR NOT TO ROTH?**

**GREATER MILWAUKEE AREA OFFICES IN BROOKFIELD, GLENDALE, MILWAUKEE, OAK CREEK & RACINE**

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Now that 2010 has arrived, people whose incomes were previously too high to permit them to rollover a traditional IRA to a Roth IRA are calling their investment houses about making conversions. That's because for the first time, even if your annual income exceeds \$100,000, you can convert a traditional IRA – or a SEP IRA, Simple IRA or 401(k) or 403(b) plan held with a former employer – to a Roth IRA.

What's all the excitement about? To review, a Roth and a traditional IRA are effectively the opposite of one another. You get a tax deduction by contributing to a traditional IRA, but the money you take out is taxed at ordinary income tax rates. While there is no immediate tax benefit for contributing to a Roth, you don't have to pay tax on the money when you withdraw the funds in retirement. Also, while the original owner of a traditional IRA is required to start distributions after age 70 ½, the original owner of a Roth IRA account is not required to take minimum distributions. One major downside to converting from a traditional IRA to a Roth is that you have to pay income tax on the amount you convert.

Many investment firms are pushing these conversions because they represent new sources of funds to manage. But should you make the conversion? Financial articles on the pros and cons of Roth IRA conversions have proliferated like bankers' bonuses in the past few weeks. Below is a roundup of a few that look particularly helpful. The general advice is: don't rush in before you understand all the variables.

- **Kiplingers:** “The New Roth Rollover Rules Explained”
- **MarketWatch:** “Roth it right: Six mistakes to avoid when converting to a Roth IRA”
- **Retirementrevised:** “Should you join the Roth conversion parade?”
- **Time magazine:** “Traditional IORA vs. Roth IRA”
- **MoneyWatch:** “Don’t Rush Into Roth IRA Conversions”
- **The New York Times:** “Deciding Whether a Roth Is Right”

**“Those Who Plan Ahead Win.  
Those Who Don’t Plan Ahead Lose.”**

This article is for informational purpose only and is not intended as legal advice. It is recommended that you call Timothy P. Crawford for a free conference to discuss your situation in more detail. Attorney Crawford can be reached at 1-262-634-6659. Please refer to this article when you call.

\*Attorney Timothy P. Crawford is a Nationally Board Certified Elder Law Attorney (**CELA**). He has been Board Certified by the National Elder Law Foundation which has been approved as the Sole Certifying Organization for Elder Law Attorneys by the American Bar Association.

\*\*Timothy P. Crawford was invited to join the Council of Advanced Practitioners (**CAP**) of the National Academy of Elder Law Attorneys (**NAELA**) in August of 2005. **CAP** is a small group of premier elder law attorneys, all of whom have been members of NAELA for at least 10 years, are certified as elder law attorneys by the National Elder Law Foundation, and are AV rated by Martindale Hubbell, a service that provides an independent rating of the quality of attorneys, as one of the top attorneys in the nation.

Attorney Timothy P. Crawford has been selected as a **Fellow** of NAELA. **Fellow** is the highest honor bestowed by the Academy. Selection as a **Fellow** signifies that his peers recognize the lawyer as a model for others and as an exceptional lawyer and leader.

Attorney Timothy P. Crawford has a superb rating of 10 out of 10 with A V V O.

A V V O has awarded to Attorney Timothy P. Crawford the A V V O Client’s Choice Award.

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