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A Roth account is one way to save money for retirement, but to make the best use of one, it helps to understand how Roth accounts differ from other retirement savings vehicles like employer-sponsored plans or individual retirement accounts.

A Roth account allows you to save for retirement by paying taxes on the dollars you save now so that you don't have to pay taxes when you take those dollars out at retirement age. One important thing to know is that Roth contributions are taxed at current tax rates. The best way to determine whether a Roth makes sense for you is to think about what your current tax bracket is and imagine where you expect it to be in the future. Roth accounts can be especially helpful for people who are early in their careers and are currently in a lower tax bracket. If you think you'll make a higher salary later and therefore be in a higher tax bracket, then Roth might make sense right now. Go ahead and pay the taxes today while you're in a lower tax bracket, so that way, when you take the money out at a higher tax bracket, you won't have to pay so much in taxes on the Roth money or the earnings you withdraw.

You will, however, still need to pay taxes on your employer's contributions. Make sure you check out the most recent contribution limits at [irs.gov](https://www.irs.gov). If you're age 50 or older, you may also be eligible for an additional catch-up contribution. Another piece you may want to investigate is whether you are eligible for your employer matching. Generally, if your employer offers a match for your retirement savings contribution, they'll make that match regardless of whether you contribute to a Roth account or a traditional pre-tax account. Roth savings are available through individual retirement accounts, also called IRAs, but may also be available through your employer-sponsored retirement plan. Check with your human resources or benefits coordinators for details. To learn more about how Roth features work, talk to a tax professional or call the CAPTRUST advice desk. We can help you understand how Roth savings may impact your personal financial picture now and in the future.

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