

## A TDA Solution

### What Is a TDA?

The employees of public school systems and 501(c)(3) non-profit organizations can participate in tax-deferred annuity (TDA) plans established by their employers.

A TDA has tax-favored status. Specifically:

#### **Pre-Tax Dollars**

The amount contributed to a TDA is not reported as income\*, which means that your taxable income is reduced by the amount of your TDA contributions.

#### **Tax-Deferred Growth**

The earnings on your TDA contributions compound tax-deferred until withdrawn\*, providing you with a double tax benefit.

\* Taxes are due upon withdrawal.

While many plans can help you save for a financially-secure retirement, the tax advantages of a TDA may enable you to accumulate more funds at a faster rate than would otherwise be possible!