

Investments from 3

account, it can similarly be passed on to the next generation, and so on.

You're concerned about taxes.

You're aware that diversifying your portfolio by investing in multiple asset classes, including stocks, bonds and cash, can be a way to mitigate risk. The same logic applies to tax diversification: by spreading your retirement assets across different types of accounts provides diversification. A tax-free Roth account combined with a taxable account, like a brokerage account or mutual funds account, and a tax-deferred account, like a 401(k) or Traditional IRA, can give you the flexibility to potentially keep taxes low in retirement. This is especially important if you're concerned about future tax increases or you think that your tax liabilities may be higher in retirement. Converting some of your Traditional IRA to a Roth IRA can be an effective strategy that allows you to take income from different sources to potentially keep taxes low in retirement.

You think that you might need some of the money before you retire.

If you withdraw funds from a Traditional IRA before age 59½, not only will you be taxed on the value of the funds withdrawn, you will also be subject to a 10% early-withdrawal penalty unless an exception applies. With a Roth IRA, you can withdraw the original contribution at any time, without penalty. You can even withdraw earnings, but if you do not meet the requirements listed above regarding the length of time held, age and other considerations, you will be taxed on the earnings when you withdraw the funds.

The Facts: Roth IRA vs. Traditional IRA**ROTH:**

- A) Nondeductible contributions
- B) Tax deferred growth potential
- C) Tax free withdrawals
- D) Tax free withdrawals during retirement do not raise the tax bill on Social Security benefits
- E) No required minimum distributions during account owner's lifetime
- F) Able to continue contributions after age 70 1/2
- G) Assets remaining in IRA pass income-tax free to heirs.

TRADITIONAL:

- A)) Deductible or nondeductible contributions
- B) Tax-deferred growth potential
- C) Taxable withdrawals
- D) Taxable withdrawals in retirement can raise the account owner's tax bill on Social Security benefits.
- E) Must begin taking required minimum distributions at age 70 1/2
- F) Cannot contribute beyond age 70 1/2
- G) Assets left to heirs will be taxable as ordinary income upon withdrawal.

* Contributions can be withdrawn tax-free at any time, and earnings can be withdrawn without income tax if the account has been in effect for five years and the owner is over age 59½, has died, is disabled or is a qualified first-time home purchaser (maximum \$10,000).

A few additional points to consider:

When you convert from a Traditional IRA or employer-sponsored plan to a Roth IRA, you will incur certain tax liabilities. These include taxes on any pretax contributions plus taxes on any earnings or growth.

If you have pre-tax and after-tax funds in a Traditional IRA, there are certain rules that determine how these funds can be converted. Your tax advisor can help you determine which funds can be converted and the amount of taxes due on a conversion.

To help ease the tax burden, you can spread your tax payment across two years.

So instead of paying all the taxes when you convert in 2010 you can include 50% of the income in 2011 and 50% of the income in 2012 at rates in effect in those years. This option is a one-time offer for 2010 conversions only.

It's important to identify funds outside the IRA that can be used to pay the taxes due on the conversion to a Roth IRA. Tapping into the amount converted from a Traditional IRA or employer-sponsored retirement plan to pay taxes will reduce the amount available in the Roth IRA to earn tax free income—and trigger a 10% penalty if you're under age 59½ (unless an exception to the penalty tax is available).

To help you decide whether a Roth conversion is a good idea for you, you should speak with your tax advisor to prepare a personal Roth Conversion Illustration Report for you. The illustration will show the after-tax future value of an IRA balance, comparing the outcomes of a Traditional IRA or employer-sponsored plan with those of a Roth IRA. You'll also be able to see the wealth planning advantages of "stretching" a Roth IRA over multiple generations.

Is a Roth Right for You?

We have touched on some key benefits of converting to a Roth IRA, but for many individuals a Roth conversion may not be the best strategy. If one or more of the following apply to you, it might be best for you to avoid conversion or to only convert a portion of your retirement account:

You expect that your tax bracket will be the same, or lower, in retirement.

You do not have funds available to pay the extra taxes from the conversion.

You only have a short time frame to take advantage of potential tax-free compounding before retiring.

You have projected income needs equal to or greater than the required minimum distributions of the IRA.

Get Help Making your Decision

To help you understand how a Roth conversion will likely impact your financial scenario, I can show you a personal Roth Conversion Illustration Report. The report will explore your specific situation, factoring in such variables as the amount to be converted, the distribution year, your date of birth and where you are in the retirement planning cycle. Based on this input, the report shows the after-tax future value of an IRA balance, comparing the outcomes of a Traditional IRA with those of a Roth IRA. You'll also be able to see the wealth planning advantages of "stretching" a Roth IRA over multiple generations. Finally, as with all tax related issues, you should also discuss your situation with your tax advisor.

Articles are published for general informational purposes and are not an offer or a solicitation to sell or buy any securities or commodities. Any particular investment should be analyzed based on its terms and risks as they relate to your specific circumstances and objectives. □

**Zakład Pogrzebowy
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Oferujemy pełen zakres usług związanych ze zgonem. Przygotowanie pogrzebu, możliwość kremacji zwłok. Msza pogrzebowa w języku polskim, pogrzeb na polskim cmentarzu, stypa. Zawiadom nas, a my zajmiemy się przygotowaniem i formalnościami.

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Music - Paderewski Fest from 3

event that will be dedicated to the First Lady. We will have three Polish dignitaries here for the week who will be our guests of honor. We will be hosting two Polish students to San Luis Obispo County in November for our festival. Call or email me with any questions. Thanks for all your support, phone calls and emails over the past few days.

Joel Peterson,
President Paderewski Festival Board

The Board of Directors of the Paderewski Festival in Paso Robles Announce A Toast To Paderewski Presented by the BackRoads Wineries Saturday, April 24, 2010 at 6 p.m. Pear Valley Winery 4900 Union Road, Paso Robles, CA 93446

Tickets: \$75 per person; \$25 for youth under 21

Proceeds to benefit students in the Paderewski Festival Exchange Program with Tarnów, Poland

Tickets and Information at:
www.paderewskifest.com or call (805) 227-2888

Come raise a toast to Paderewski's 150th Birthday with 20 Back Roads Wineries pouring, Polish-themed delicacies and a very special concert on Saturday, April 24 at the Pear Valley Winery in Paso Robles.

The Paderewski Festival and the Back Roads Wineries of Paso Robles invite lovers of fine wine and music to a reception showcasing the wines of the Back Roads Wineries complemented by Polish-themed appetizers provided by Cass Catering. Pianist Marek Żebrowski, a Steinway artist and director of the Polish Music Center at the University of Southern California Thornton School of Music, will be joined by the Midnight Winds to perform a special concert featuring works by Paderewski, Chopin and Mozart. A live auction of private concerts, premium wines and vacation package giveaways will follow the concert.

Proceeds from the event will benefit the Paderewski Festival Exchange Program for young musicians. Paso Robles and Tarnów, Poland signed a sister city agreement in November 2008 to explore cultural, educational and business opportunities between the two cities that share historical ties to Ignacy Jan Paderewski. In 2010, two Polish students from Tarnów will be coming to Paso Robles in November to perform during the Paderewski Festival and to participate in master classes with previous winners of the Paderewski Youth Piano Competition.

Back Roads Wineries is a consortium of 20 boutique vineyards located between Paso Robles and Creston and specializing in creating unique, handcrafted, limited edition wines. More information about Back Roads Wineries is available at: www.backroadswineries.com.

The Paderewski Festival in Paso Robles is a non-profit organization that sponsors an annual series of concerts featuring internationally acclaimed artists, the Paderewski Youth Piano Competition and Exchange Program, and other Paderewski-themed events.

The 2010 Paderewski Festival will be held in a number of venues in Paso Robles and vicinity from November 11-14. Concerts of solo piano and chamber music, an exhibit of Paderewski memorabilia, celebrations of local young musicians and lectures by Paderewski experts are planned to celebrate the composer's 150th Birthday. Please see the Festival Website, www.paderewskifest.com, for details and schedule of events. □

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Eliza Skwarużyńska from 4

back." The only thing that he ever wanted, was for this hidden truth to be exposed, because Kaczyński, as hard he was on against the Russians, could imagine a better day.

And yet, not being able to share his thoughts that he believed would repair everything for the neighboring countries, his and ninety-five other spirits are protected in our hearts, finally beginning to bring the world to peace.

From the Polish National Anthem, the first words are, "Jeszcze Polska nie zginęła" which translates to, "Poland has not fallen." This means, out of all the things Poland has been through, which doesn't only include being under Hitler's dictation, but also includes being invaded by Stalin's armies, and countless times by the Russians from the east and the Germans from the west, we as Polacy (Poles) have not lost hope. We have not given up and we have not lost respect for one another. We are strong. And whatever God decides to bring our way, we will survive.

Because another horrid event has taken place for our country, our hearts throb. Among the fallen spirits in the plane crash was Maria Kaczyńska, President Kaczyński's wife, whose body was found in the rubble of the plane and was identified by only her wedding ring. And thus we come full circle, remembering who these people were... and yet when I asked the Consulate-General her personal thoughts about this tragedy, she said to me, "The longer I stand by the book of condolences, the more I am convinced that we must move forward, in memory of those who were lost, and I grow stronger in my ability to accept this tragedy thanks to the solidarity of hundreds of people around the world, and their expression of good will towards Poland and the Polish people." □

Eliza Skwarużyńska is a fourteen year old freshman at Thousand Oaks High School.

May 5 Katyn conference from 6

include Dr. Mark Kramer of the Cold War Studies Program and Davis Center at Harvard; Allen Paul, author of Katyn: Stalin's Massacre and the Triumph of Truth; and Dr. Michael Szporer of the Victims of Communism Memorial Foundation and the University of Maryland University College.

The event will conclude with a reception for members of Congress, the Washington diplomatic community, leaders of the Russian and Polish communities in the U.S., representatives of Washington policy-development organizations and the news media. The International Katyn Conference at the Library of Congress is open to the public, but seating is limited, and will be on a first come, first served basis. The Congressional Reception following the conference at 5:30 p.m. is by invitation only.

To reserve a seat for the conference, send an e-mail with your Full Name to info@kf.org □

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