

# TSP vs IRA

## 1. Your TSP and your IRA are **completely separate accounts**.

|                    | TSP  | IRA  |
|--------------------|--|--|
| Contribution Limit | \$19,500   | \$6,000  |
| Catch-up Limit*    | \$6,000  | \$1,000  |
| Account Type       | Employer-sponsored.<br>Same laws as a 401(k) plan.   | Individual Retirement Account.<br>Anyone can have one. |
| Notes              | Employer contributions (government match) do NOT count toward these limits.<br><br>\$19,500 / 26 pay periods =<br>\$750 / pay period |  |

\*"Catch-up" contributions are for age 50+, and extend the limits above the regular contribution limit  
Yes, you may contribute both \$19,500 to your TSP and \$6,000 to your IRA.

## 2. "Roth" and "Traditional" are tax treatments. **NOT accounts**.

|             | Contributions<br>"now" | Withdrawals<br>"later" |
|-------------|------------------------|------------------------|
| Traditional | Tax-exempt             | Taxed                  |
| Roth        | Taxed                  | Tax-exempt             |

## 3. You may mix Roth & Traditional within each account.

| TSP | Traditional TSP | Roth TSP | Maximum Sum |
|-----|-----------------|----------|-------------|
|     | \$19,500        | 0        | \$19,500    |
|     | 0               | \$19,500 | \$19,500    |
|     | \$10,000        | \$9,500  | \$19,500    |

| IRA | Traditional IRA | Roth IRA | Maximum Sum |
|-----|-----------------|----------|-------------|
|     | \$6,000         | 0        | \$6,000     |
|     | 0               | \$6,000  | \$6,000     |
|     | \$3,000         | \$3,000  | \$6,000     |

Roth IRA has income limits: (You can still do traditional IRA)

Single: \$124,000 - \$139,000

Married filing jointly: \$196,000 - \$206,000