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# Invesco SIMPLE IRA

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2024 employee guide

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# 1

## The path to retirement readiness

It's never too early or too late to start saving for retirement. The goal is to start and contribute as much as you can.

The good news is that your employer makes it easy through its employer-sponsored retirement plan. Here are some tips to help you get on the path to retirement readiness and get more out of life through the SIMPLE IRA Plan.



### **Tax savings**

Your contributions are automatically taken pretax from your salary, and potential earnings accumulate on a tax-deferred basis. Contribution levels are not set in stone and can be adjusted by contacting your employer.



### **Extra money for retirement**

Your employer will make contributions toward your retirement savings, which will be deposited into your account for you to invest.



### **100% immediate vesting**

Contributions from both you and your employer are always 100% vested. And if you change employers, you won't forfeit any of your retirement savings.



### **Know your number**

Many financial planners estimate you'll need between 70% and 80% of your current income to maintain your current standard of living in retirement. To better assess your needs, speak with your financial professional.

# 2

## SIMPLE IRA at a glance

Who makes contributions?	Employer and employee
Who makes investment decisions?	Employee
Who is eligible?	May be restricted to those who earned at least \$5,000 from the employer in any two preceding years and are expected to earn at least \$5,000 in the current year. <sup>1</sup>
Maximum contribution limit for salary deferrals	The lesser of 100% of compensation or \$16,000 (\$19,500 if you're age 50 or older) for 2024. <sup>2</sup>
Employer contribution options	<b>Option A:</b> A dollar-for-dollar match of up to 3% of each participating employee's compensation. <sup>3</sup> <b>Option B:</b> A contribution equal to 2% of each eligible employee's compensation (compensation limited to \$345,000 for 2024), whether or not they elect to make salary deferrals. <sup>2</sup>
Rollovers and transfers	Tax-free rollovers or transfers can be made from a SIMPLE IRA to a regular IRA, qualified plan, 403(b), SEP IRA, and 457 after two years from the date of the first contribution to the SIMPLE IRA. <sup>4</sup>
Vesting	100% immediate
Distributions	If under age 59½, exceptions are available if the account has been established under two years. Distributions at age 59½ are penalty-free. <sup>5</sup> In addition, distributions are required at age 73.
Fee	Invesco assesses an annual maintenance fee of \$25 per account, automatically deducted from each participating employee's account. <sup>6</sup>

1. Nonresident aliens and employees subject to collective bargaining agreements may be excluded. Employers may designate less restrictive requirements at their discretion. Minors may not open an Invesco SIMPLE IRA. Your employer will provide you with a Summary Description that outlines eligibility requirements for your plan.

2. Indexed for inflation.

3. Not to exceed \$16,000 (\$19,500 for employees age 50 and older) for 2024. Indexed for inflation. Employer can reduce match to 1% in no more than two out of every five years.

4. Please speak with your provider if there are any restrictions before moving your SIMPLE IRA assets.

5. Prior to taking a distribution, speak with your financial or tax professional to understand the potential impact. For IRA penalty exemptions, see <https://www.irs.gov/retirement-plans/simple-ira-withdrawal-and-transfer-rules>

6. The fee is waived across all retirement account types if the total assets held by the shareholder in any retirement or non-retirement accounts held directly at Invesco, excluding 529 plans, is \$50,000 or greater on the date fees are assessed.

# 3

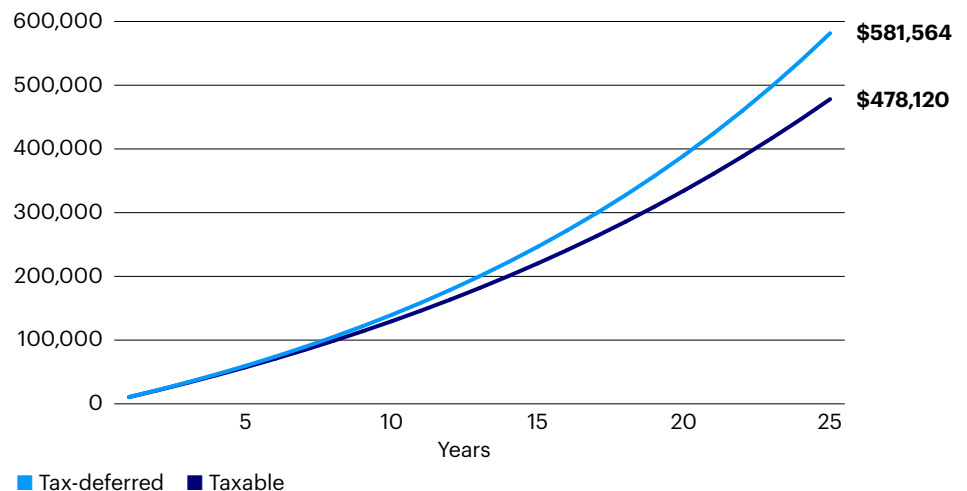
## Take advantage of tax-deferred growth

Investing in a tax-deferred account could potentially mean \$103,444 more saved for retirement than if you invest in a taxable account.

You can potentially accumulate assets much faster in a SIMPLE IRA than in a taxable savings account. Contributions plus earnings — reinvested interest, dividends, and capital gains — compound tax-deferred until you withdraw them as retirement income. Please keep in mind that withdrawals made prior to age 59½ will be taxed as ordinary income and may be subject to additional tax penalties. Also, consider your current and anticipated investment horizon and income tax bracket before making an investment.

### Deferring taxes on investment earnings may accelerate savings

Growth of \$10,000 invested annually at 6% for 25 years, tax-deferred vs. taxable at 22% (\$)



The hypothetical examples and estimates of a 6% average annual total return are for illustrative purposes only and are not intended to represent the performance of a particular investment product or a real investor. Your actual return and tax bracket aren't likely to be consistent from year to year, and there is no guarantee that a specific rate of return will be achieved. The example assumes that an individual in the 22% tax bracket made annual \$10,000 contributions and did not adjust for increases in the annual IRS contribution limits and assumes no withdrawals. This illustration does not reflect the performance of or fees and charges associated with any specific investment, nor does it take into account the effect of inflation. Tax rates and brackets are subject to change. The tax-deferred account will be taxed as ordinary income upon distribution, while the lower maximum tax rates on capital gains and qualified dividends would make the return on the taxable investment more favorable, thereby reducing the difference in performance between the two accounts shown. Investment returns fluctuate over time, and losses can occur. This hypothetical is based on current tax laws, which are subject to change. This information is not intended as tax advice. Investors should consult a tax advisor.

# 4

## Get started and invest in you

When you open your SIMPLE IRA account, you'll need to select the Invesco funds in which your contributions will be invested from your enrollment form. As always, we remain committed to providing the investment solutions and services you need to help you reach your retirement savings goals.

### Comprehensive investments

Invesco is a global asset management firm with decades of experience serving the needs of retirement plan participants. We offer a range of investments across every major asset class, including US and international equity and fixed income portfolios.

### Investor services and support

Once your account has been established, you may register for online account access at [invesco.com/us](https://invesco.com/us). Navigate to the Account Access & Forms tab, then click on Individual Investor and Retirement Plan Participant. At the login page, click on New User to begin the registration process. There you'll have resources to help you manage and maintain your account online. Please note, certain requests may require the approval of your employer.

If you prefer to speak with someone, Invesco Client Services is available to assist and support you with your account inquiries. We're available, Monday through Friday, from 7 a.m. to 6 p.m. CT. You can reach us at **800 959 4246**.

### Get started

Enroll by completing the [SIMPLE IRA Participant Application](#) and work with your financial professional to select an asset allocation that's appropriate for you.

Visit [invesco.com/us](https://invesco.com/us) to learn more.

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# Notes



**Before investing, investors should carefully read the prospectus and/or summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund(s), investors should ask their financial professional for a prospectus/summary prospectus or visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus).**

All investing involves risk, including the risk of loss.

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions.

Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns and does not assure a profit or protect against loss.

Note: Not all products, materials or services available at all firms. Financial professionals, please contact your home office.

Invesco does not provide tax advice. The tax information contained herein is general and is not exhaustive by nature.

Federal and state tax laws are complex and constantly changing. You should always consult your own legal or tax professional for information concerning your individual situation.

All data provided by Invesco unless otherwise noted.