TAXABLE VS. TAX-ADVANTAGED SAVINGS

Date: October 3, 2025

INTRODUCTION

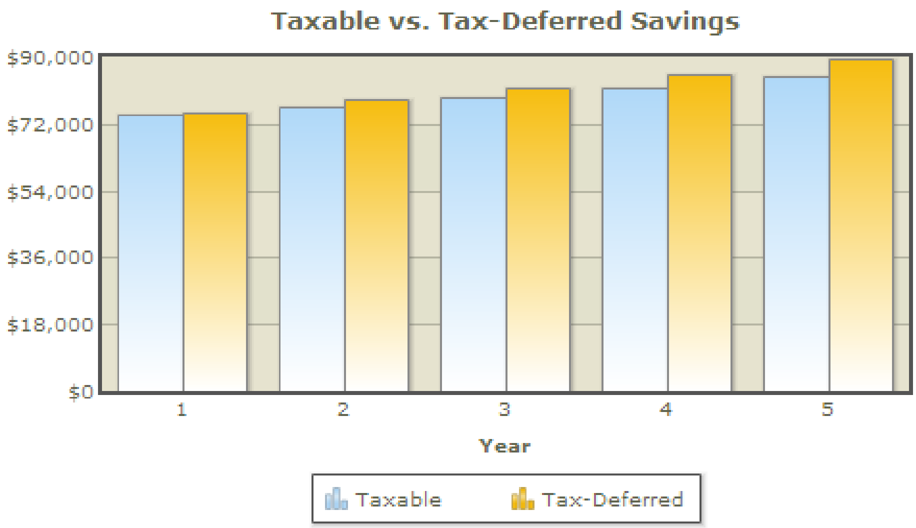
Tax-deferral can have a dramatic effect on the growth of an investment. Use this calculator to determine the future value of an investment being subject to income tax each year versus deferring the tax until withdrawal.

SUMMARY OF INPUT

Starting balance	$71,638
Number of years for the analysis	5
Annual rate of return	4.45%
Tax rate	25.00%

ANALYSIS

It appears that by saving in a tax-deferred vehicle you would accumulate $89,061 ($84,705 after taxes on the earnings) vs. $84,418 in a taxable savings account.



	Taxable				Tax-Deferred		
Year	Beginning Balance	Return @ 4.45%	Taxes @ 25.00%	Ending Balance	Beginning Balance	Return @ 4.45%	Ending Balance
1	$71,638	$3,188	$797	$74,029	$71,638	$3,188	$74,826

2	74,029	3,294	824	76,500	74,826	3,330	78,156
3	76,500	3,404	851	79,053	78,156	3,478	81,634
4	79,053	3,518	879	81,691	81,634	3,633	85,266
5	81,691	3,635	909	84,418	85,266	3,794	89,061