TAXABLE VS. TAX-ADVANTAGED SAVINGS

Date: June 5, 2025

INTRODUCTION

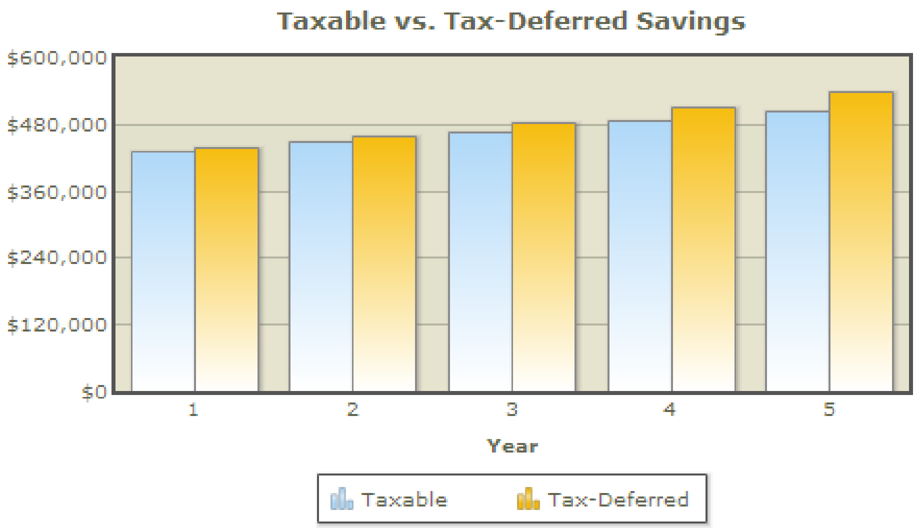
Tax-deferral can have a dramatic effect on the growth of an investment. Use this calculator to determine the future value of an investment being subject to income tax each year versus deferring the tax until withdrawal.

SUMMARY OF INPUT

Starting balance	$414,000
Number of years for the analysis	5
Annual rate of return	5.25%
Tax rate	25.00%

ANALYSIS

It appears that by saving in a tax-deferred vehicle you would accumulate $534,701 ($504,526 after taxes on the earnings) vs. $502,183 in a taxable savings account.



	Taxable				Tax-Deferred		
Year	Beginning Balance	Return @ 5.25%	Taxes @ 25.00%	Ending Balance	Beginning Balance	Return @ 5.25%	Ending Balance
1	$414,000	$21,735	$5,434	$430,301	$414,000	$21,735	$435,735

The information presented above is hypothetical and is not intended to serve as a projection or prediction of the investment results of any specific investment. This calculator is provided only as a general self-help tool. The accuracy or applicability of the tool's results to your circumstances is not guaranteed. We encourage you to talk to an investment professional about your situation. This tool is not an offer, representation or warranty by Nationwide (®) or any of its affiliated companies and does not describe any specific products or services they offer. We are not responsible for the consequences of any decisions or actions taken in reliance upon or as a result of the information provided by this tool. Costs of investing have not been taken into consideration. Withdrawals from qualified plans that are taken prior to age 59½ may be subject to a 10% penalty tax. Federal income tax laws are complex and subject to change. The information in this tool is based on current interpretations of the law and is not guaranteed. Neither the company nor its representatives give legal or tax advice. Please consult your attorney or tax advisor for answers to specific questions.

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2	430,301	22,591	5,648	447,244	435,735	22,876	458,611
3	447,244	23,480	5,870	464,855	458,611	24,077	482,688
4	464,855	24,405	6,101	483,158	482,688	25,341	508,029
5	483,158	25,366	6,341	502,183	508,029	26,672	534,701