

TAXABLE VS. TAX-ADVANTAGED SAVINGS

Date: June 5, 2025

INTRODUCTION

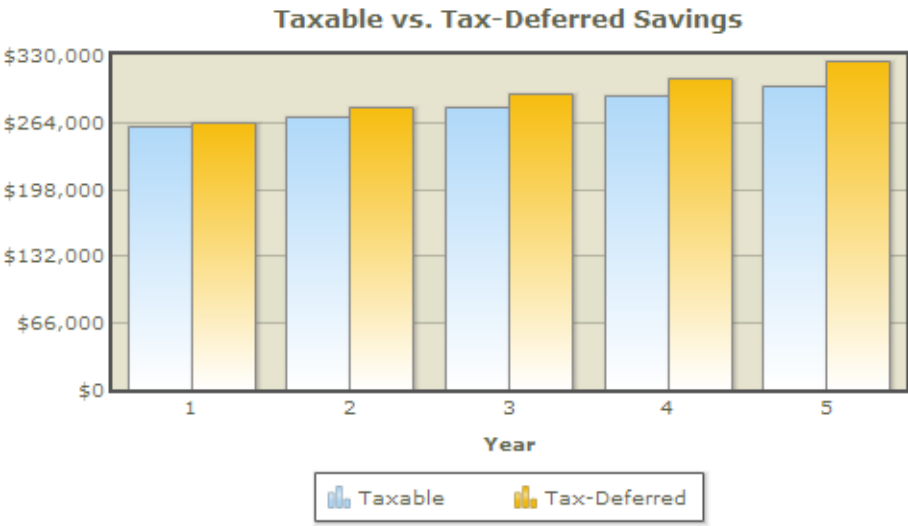
Tax-deferral can have a dramatic effect on the growth of an investment. Use this calculator to determine the future value of an investment being subject to income tax each year versus deferring the tax until withdrawal.

SUMMARY OF INPUT

Starting balance	\$250,000
Number of years for the analysis	5
Annual rate of return	5.25%
Tax rate	30.00%

ANALYSIS

It appears that by saving in a tax-deferred vehicle you would accumulate \$322,887 (\$301,021 after taxes on the earnings) vs. \$299,440 in a taxable savings account.



Year	Taxable				Tax-Deferred		
	Beginning Balance	Return @ 5.25%	Taxes @ 30.00%	Ending Balance	Beginning Balance	Return @ 5.25%	Ending Balance
1	\$250,000	\$13,125	\$3,937	\$259,188	\$250,000	\$13,125	\$263,125

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.

This information may help you analyze your financial needs. It is based on information and assumptions provided by you regarding your goals, expectations and financial situation. The calculations do not infer that the company assumes any fiduciary duties. The calculations provided should not be construed as financial, legal or tax advice. In addition, such information should not be relied upon as the only source of information. This information is supplied from sources we believe to be reliable but we cannot guarantee its accuracy. Hypothetical illustrations may provide historical or current performance information. Past performance does not guarantee nor indicate future results.

2	259,188	13,607	4,082	268,713	263,125	13,814	276,939
3	268,713	14,107	4,232	278,588	276,939	14,539	291,478
4	278,588	14,626	4,388	288,826	291,478	15,303	306,781
5	288,826	15,163	4,549	299,440	306,781	16,106	322,887

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.

This information may help you analyze your financial needs. It is based on information and assumptions provided by you regarding your goals, expectations and financial situation. The calculations do not infer that the company assumes any fiduciary duties. The calculations provided should not be construed as financial, legal or tax advice. In addition, such information should not be relied upon as the only source of information. This information is supplied from sources we believe to be reliable but we cannot guarantee its accuracy. Hypothetical illustrations may provide historical or current performance information. Past performance does not guarantee nor indicate future results.