

Benefits of Before Tax Investing

	Saving Before Tax	Saving After Tax
Monthly Salary	\$ 2,000	\$ 2,000
Minus Before Tax Savings	<u>- \$100</u>	<u>- \$0</u>
Taxable Pay	\$1,900	\$ 2,000
Minus Tax Withholding	- \$361	- \$380
Minus After Tax savings	<u>\$ 0</u>	<u>\$ 100</u>
Spendable Pay	\$1,539	\$ 1,520
Before Tax Advantage	\$19	