

# NEW YORK POST

## IRA OPTIONS VARY, SO CHOOSE WISELY

*July 1, 2007 -- Dear John: If I roll over my pension into an IRA, should it be into a Roth IRA or a regular IRA. I believe the pension should be worth \$100,000. How much would an IRA yield monthly? N.C.*

**Dear N.C.:** The decision of whether to roll your retirement-plan dollars into a traditional or Roth IRA is mainly based on your income level and your tax rates at that time and expected in the future, says Nate Wenner, a director of the Financial Planning Association in Minnesota.

"Briefly, a traditional IRA rollover would mean that you would owe no tax upon the rollover, but would be taxed on the amounts later distributed to you during retirement, at whatever tax rate you are in at those later dates," says Wenner.

Rolling the money into a Roth account would result in taxes being due at the time of rollover, again at whatever tax bracket you are in at this time.

So if you think your tax rate might be lower further into retirement, maybe the traditional IRA makes more sense from a tax standpoint, he says.

If not, the Roth may be better.

**Dear John:** You recently wrote about the Plunge Protection Team and stated "the government was probably more of a cheerleader, encouraging firms not to panic and (perhaps) indemnifying them against loss." I think your readers would be interested in knowing if there is a legal basis for the government indemnifying Wall Street against loss. Or are you implying that the government would indemnify them illegally? D.W.

**Dear D.W.:** I would also like to know whether Washington can indemnify Wall Street firms for trades they may make in the interest of "national security."

In 1988, President Reagan formed by executive order something called the President's Working Group on Financial Markets. It's been a mystery ever since but its nickname probably tells it all - the Plunge Protection Team.

I'll give you my conjecture. I think the PPT actually does intervene in the financial markets if a disaster is brewing. George Stephanopolous once blurted out on TV that this group rescued stocks in 2001 - during the post-9/11 crisis.

I think there's a nod and wink arrangement between Washington and Wall Street. And if something goes wrong, D.C. will make it right.

Is there legal authority for this?

Since no records seem to be kept (and we've tried to get them) who's to say anything is even going on? So how can something that can't be documented be illegal?

It's all very Catch-22ish. *Send your questions to Dear John, The N.Y. Post, 1211 Ave. of the Americas, N.Y., N.Y., 10036, or [john.crudele@nypost.com](mailto:john.crudele@nypost.com).*

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