



**motion picture
pioneers
assistance
fund**

SOCIAL SERVICES CORNER

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WHY SHOULDN'T I TAKE AN EARLY DISTRIBUTION FROM MY RETIREMENT FUNDS?

Question: I heard you can take some of your money out of your IRA, 401(k), or 403(b) earlier than age 59 1/2 without penalty. Can you give me some information on this?

You heard right. But what might not have made it through your ear canals are some of the drawbacks involved in getting your hands on the cash early.

Getting money out of your IRA before you turn age 59 1/2 is a lot easier than getting money out of your employer's plan. With an IRA, there is nothing to prevent you from taking the money out whenever you want. But when you do take the money, you pay income tax. And if you happen to be younger than 59 1/2, you will also pay a 10 percent early distribution penalty, unless you qualify for one of the exceptions to the penalty — for example, if you die or become disabled.


Getting money out of your 401(k) plan before you

reach age 59 1/2 is trickier. Most company plans will not allow you to take money out while you are still on the job.

The two big exceptions are hardship distributions and loans. To take a hardship distribution, you must satisfy the plan's definition of hardship. If you qualify, you will still have to pay income tax and an early distribution penalty on any money that comes out of the plan. The best alternative is a loan, if the plan allows one. But even if you are permitted to borrow from the plan, you must pay the money back with interest within five years, usually in installments.

The 403(b) plan rules are similar. And your best option with a 403(b) plan is also a loan.

— *Nolo Personal Finance & Retirement*

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Visit our Web site at www.wrpioneers.org to view our “Life Planning Series: Retirement Planning,” that includes 48 articles to help you plan for a secure and comfortable future. The articles are free to read and print whenever and as often as you like. Members without Web access may call our Social Services Department at (888) 994.3863, ext. 2370.

JOKE OF THE MONTH

**“My software never has bugs —
it just develops random features.”**


— *A Prairie Home Companion Pretty Good Joke Book,
Fourth Edition; Introduction by Garrison Keillor*

Laughter is known to boost the immune system, lower blood pressure,
burn calories and release pleasure-inducing chemicals in the brain.

Go Green!

Receive the *Social Services Corner* by email.
Call 888.994.3863, ext. 2370, or e-mail info@wrmail.org.

**Do you or someone you know need our
assistance? Call toll-free at (888) 994-3863
or visit www.wrpioneers.org to find out
more about our assistance programs.**

 The Motion Picture Pioneers Assistance Fund
is a program of the Will Rogers Motion Picture
Pioneers Foundation.

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WANT TO GET AWAY? BE WARY OF TRAVEL SCAMS!



If you're planning an upcoming vacation, here's some great advice from the folks at the Consumer Information Center (CIC), www.pueblo.gsa.gov, about how to avoid travel scams that will

waste your money and ruin your vacation:

- Deal only with travel agencies or tour companies that have a good standing. Ask if they belong to a professional association. Call your Better Business Bureau chapter to find out whether there have been any complaints filed against the company.
- Shop around. Never rush into booking a vacation without getting offers from at least two agencies or tour providers. Think of it as being like car shopping — find out how far your buck will stretch before you buy.
- Beware of offers that are too good to be true. Be

leery of “free” trips or ridiculously cheap prices. If you're offered a “two-for-one” deal, a “free stay,” or such, make sure to find out what the deal really involves.

- Ask, and ask again. Get as many details as you can about each travel offer. Be sure you fully understand all the terms before agreeing to buy. Ask for the specific names of airlines, hotels, restaurants, tour providers or any other vendors mentioned as part of the package. Also ask whether there's a cancellation policy.
- Get all promises in writing. Consider trip insurance for additional protection, too.
- If you're asked to pay in advance, ask if you can put down a deposit. The CIC adds that using a credit card is safest because of your right to dispute the charges if the services were misrepresented or never delivered.

NEW ADDITIONS TO THE MPPAF'S NATIONAL RESOURCE DIRECTORY

www.usatechguide.org

The United Spinal Association, a national nonprofit organization formed in 1946 by paralyzed veterans who pioneered the disability movement, sponsors this Web site. This site provides information about wheelchairs and assistive technology. It also provides several tools to search the Web for disability related products.

www.consumermedsafety.org

This Web site is sponsored by the Institute for Safe Medication Practices, a nonprofit group that tracks and analyzes medication errors and safety risks. The site provides information about medication safety. Visitors may fill out an online form that notifies the institute to send them specific information about the drug-safety ratings, side effects, and reviews of medications entered on the form.



QUOTE OF THE MONTH

“ I can remember when a man could be considered respectable without belonging to a golf club. ”

— Will Rogers

To view our entire National Resource Directory, please visit www.wrpioneers.org.