All else being equal, federally tax-free Roth IRAs are more fun to own than traditional IRAs. However, to get money into a Roth IRA you first have to pay taxes.

Each year, you're generally allowed to contribute $6,000 to a Roth IRA ($7,000 if you turn 50 by the end of the year). But you cannot contribute more than your earned income - you have to get paid for actual work performed, investment income doesn't count - so if your income is $5,000 that is also your max allowable Roth contribution for that year.

Unlike with traditional IRAs there is no age limit for Roth IRA contributions. Don't forget this if you're doing a little work on the side in your 70s or 80s. Why not move some of your assets to an account for which, in most instances, you will never again be taxed.

Unfortunately, not everyone gets to contribute to Roth IRAs. If you earn more than $123,000 (filing single) or $203,000 (married filing jointly) you're not eligible to convert (there's a phase-out range immediately below these amounts).

However, if your income is above these limits there is a two-step work around.

The first step is to make a *non*deductible IRA contribution. Everyone under 70 is eligible to do this as long as they have earned income. Remember to attach Form 8606 to your taxes to account for the non-deductible contribution.

Right after, step two, you convert the same amount from your IRA to your Roth IRA (there are no age or income rules preventing conversion) and, voila, you just added as much as $7,000 to your Roth IRA.

Be careful, though. This only works as described if you do not already have any pre-tax money in IRAs anywhere. If you do, you have to add all your IRA money and, pro rata, calculate how much of the $7,000 you converted is considered previously untaxed IRA money for which you'd owe taxes upon conversion.

Think of the non-deductible contribution as milk and the prior pre-tax money as coffee. Once you mix the two you can't convert only the milk (after-tax money). Instead, the converted amount would include milk and coffee and the pre-tax portion would be added to your taxable income.

Note that 403(b) and 401(k) money is not included in the calculation to figure out how much pre-tax money to include in your conversion.

You may think that $7,000 is too little bother with these steps. If so, I encourage you to reconsider, the process itself is actually quite straight forward. If you're 50 and work until 65 you could add $105,000 to your Roth IRA and hopefully enjoy some growth of that money along the way, typically tax free. That's not bad.

Good luck.

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