

Save Our Savings

PROTECTING AMERICANS' RETIREMENT



As Congress undertakes tax reform, we have one request: save our savings.

The existing private sector retirement system allows middle class Americans to make the most of their retirement dollars.

Today's employer-based retirement system is working.

The convenience of being able to contribute directly to an employer-sponsored retirement plan through payroll deduction makes it easy for millions of Americans to save for retirement. In fact, 80% of households who have a retirement account say its tax treatment is a big incentive to contribute, and about 90% of households oppose both taking away the tax advantages of retirement accounts and reducing the amount individuals can contribute to retirement accounts¹.

We want you to know that...

...retirement plans help the economy: at the end of 2016, U.S. retirement assets totaled \$25 trillion in the equity and fixed income markets². These contributions help make our capital markets the largest and most liquid in the world, giving businesses the necessary funds to create more goods and services.

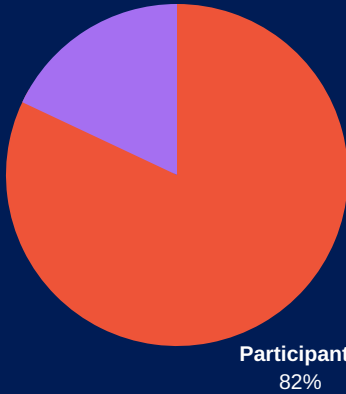
...existing tax rules prohibit retirement plans from favoring highly compensated employees, ensuring the plan's benefits are spread across the workforce.

...retirement plans are tax-deferred, not tax-exempt. Money deferred today will be taxed tomorrow, often at a higher rate than if it had been taxed today.

Lawmakers today can help preserve, enhance, and expand the system that's benefited millions of Americans.

SAVEOURSAVINGS.ORG

Non-participants
18%



75% of private sector workers are offered a retirement plan at work and 82% of workers who are offered a workplace retirement plan choose to participate ³.



70% of workers earning \$30,000 to \$50,000 participate in an employer-sponsored plan when one is offered. When there is no workplace plan offered, only 5% of workers in that income bracket contribute on their own to an IRA ⁴.

Over \$200k

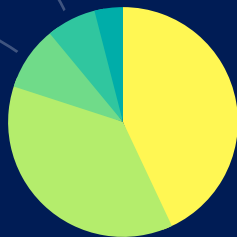
4%

\$150k to \$200k

7%

\$100k to \$150k

9%



Under \$50k

43%

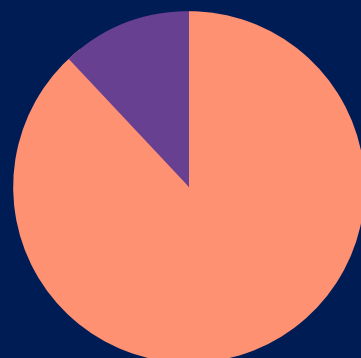
\$50k to \$100k

37%

The retirement system benefits the middle class: 43% of participants in workplace defined contribution plans earn less than \$50,000 annually; 80% earn less than \$100,000 ⁵.

88% of defined contribution participants are in plans with employer contributions ⁶.

Without
12%



With Employer
88%

1) "American Views on Defined Contribution Plan Saving, 2016," Investment Company Institute, page 7, 11.

2) https://www.ici.org/research/stats/retirement/ret_16_q4

3) "Retirement Plan Coverage by Firm Size: An Update," Social Security Bulletin, Vol. 75, No. 2, page 45.

4) Based on unpublished estimates by the Employee Benefits Research Institute.

5) Written testimony of Judy A. Miller, Executive Director of American Society of Pension Professionals & Actuaries to the Senate Finance Committee, Feb. 26, 2014. Available at <http://www.finance.senate.gov/hearings/retirement-savings-for-low-income-workers>

6) Employee Benefits Research Institute Issue Brief #426, page 14.