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Retirement tax incentives important, effective *Pre-tax 401(k) option must be preserved in tax reform*

WASHINGTON, DC – As lawmakers consider possible sources for revenue to pay for tax reform, the American Benefits Council echoed [President Trump's strong support](#) for the retirement plan 401(k) tax incentives.

“Workplace 401(k) plans are not just the way most people save for retirement, they are the vital engine for American investment and growth,” said Lynn Dudley, the Council’s senior vice president, global retirement and compensation policy. The Council recently [updated its 401\(k\) Fast Facts](#), a collection of statistics on the reach and importance of defined contribution retirement plans.

“We understand that tax reform is a difficult task, consisting of hard choices, but this much is clear: any policy change that would reduce the number of savers or the amount people save for retirement would be harmful at all levels of the economy,” Dudley said.

“As the negotiations continue, we continue to be concerned about so-called ‘Rothification’ efforts that would shift some or all retirement savings from a pre-tax benefit to an after-tax contribution,” Dudley said. “This approach is shortsighted, effectively foregoing future revenue to pay for present-day spending, and could reduce retirement savings for many working Americans.”

For more information on retirement policy matters, or to arrange an interview with Dudley, contact Jason Hammersla, Council vice president, communications, at jhammersla@abcstaff.org or by phone at 202-289-6700 (office) or (202) 422-4652 (cell).

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The American Benefits Council is the national trade association for companies concerned about federal legislation and regulations affecting all aspects of the employee benefits system. The Council's members represent the entire spectrum of the private employee benefits community and either sponsor directly or administer retirement and health plans covering more than 100 million Americans.