



## U.S. DEPARTMENT OF THE TREASURY

### **myRA: A Simple, Safe, Affordable Retirement Savings Account**

The U.S. Department of the Treasury will develop the *myRA* (“My Retirement Account”) program, offering a new retirement savings account for individuals looking for a simple, safe, and affordable way to start saving. Savers will be able to open an account with as little as \$25 and contribute \$5 or more every payday. *MyRAs* balances will never go down, and there will be no fees. *MyRAs* will be initially offered through employers and will be backed by the full faith and credit of the United States.

#### **WHO WILL *myRAs* BE FOR?**

*MyRAs* will be Roth IRA accounts available to anyone who has an annual income of less than \$129,000 a year (for individuals and \$191,000 for couples). *MyRA* will be for savers who either do not have access to an employer-sponsored retirement savings plan or are looking to supplement a current plan. They will be designed for savers who want an investment with a low opening amount.

#### **HOW WILL *myRAs* WORK?**

*MyRAs* will earn interest at the same variable rate as the Government Securities Investment Fund in the Thrift Savings Plan for federal employees. Savers may voluntarily roll over *myRAs* to private-sector retirement accounts at any time. Once a saver’s *myRA* reaches \$15,000, or after 30 years, the balance will be rolled over to a private-sector retirement account. Treasury will finalize rollover procedures when it launches the *myRA* program later this year.

#### **HOW WILL I SIGN UP FOR a *myRA*?**

Once the accounts are available, employees of participating employers will start by signing up for *myRA* online. Then they will set up an initial automatic payroll direct deposit with their employers for a minimum contribution of \$25. Employees will then elect to have a portion of their paychecks—as little as \$5—directly deposited into their *myRA* automatically every payday.

#### **Simple**

- Automatic payroll deduction.
- Portable – not tied to a single employer.
- Your contributions can be withdrawn tax free at anytime; earnings generally can be withdrawn tax free after age 59½.

#### **Safe**

- Account balances will never go down.
- The same variable interest rate as a low-risk account available to federal government employees.
- Individual information will be private and secure.
- Backed by the U.S. Department of the Treasury.

#### **Affordable**

- Only \$25 to open an account and contributions as low as \$5 every payday.
- No fees.
- Tax advantages of Roth IRA.

#### **WHEN WILL *myRAs* BE AVAILABLE?**

Treasury expects to begin rolling out *myRAs* in late 2014.

#### **HOW WILL EMPLOYERS PARTICIPATE?**

*MyRAs* will be free and easy for employers to offer. Employers may distribute *myRA* information but will not administer employee accounts or contribute to them. On payday, employers will send a direct deposit to each participating employee’s *myRA*.

For additional information, visit [www.treasurydirect.gov/readysavegrow](http://www.treasurydirect.gov/readysavegrow) or call (800) 553-2663.