



# myRA<sup>®</sup>— A NEW RETIREMENT SAVINGS ACCOUNT

FACT SHEET

Many people want to save, but haven't found an easy way to get started. According to a 2015 Federal Reserve Report, 31 percent of non-retired people said they have no retirement savings or pension whatsoever. The U.S. Department of the Treasury developed *myRA* to make it easy for people to start saving for the future.

## WHO IT'S FOR

*myRA* is a Roth IRA<sup>1</sup> that could be a good fit for people who:

- Don't have access to a retirement savings plan at work or lack other options to save
- Want to save but haven't found an easy way to get started
- Earn an annual income below \$132,000 if single, or \$194,000, if married filing jointly<sup>2</sup>

## HOW IT WORKS

Saving for retirement with *myRA* is simple, safe, and affordable:

- It costs nothing to open an account, there are no fees, and no minimum contributions.
- *myRA* carries no risk of losing money and the investment is backed by the U.S. Treasury.
- Savers choose the amount to contribute to their *myRA* (up to \$5,500 per year or \$6,500 per year for individuals who will be 50 years of age or older at the end of the year).<sup>1</sup>
- The account safely earns interest at the same variable rate as investments in the Government Securities Fund for federal employees, which returned 2.04 percent in 2015 and has had an average annual return of 2.94 percent over the ten-year period ending December 2015.
- Savers can withdraw the money they put in without tax and penalty and can withdraw interest earned without tax and penalty under certain conditions.<sup>2</sup>
- Savers can choose to transfer or roll over their account balance into a private-sector Roth IRA at any time.
- *myRA* accounts can have a maximum balance of \$15,000 or a lower balance for up to 30 years. When either of these limits is reached, the money is transferred to a private sector Roth IRA where savers have other opportunities to invest and grow their savings.

# OPENING AND FUNDING AN ACCOUNT IS EASY

People can start saving with *myRA* in three simple steps:

1. Open a *myRA* account at **myRA.gov** or by calling 855-406-6972
2. Fund the account from a paycheck, checking or savings account, or federal tax refund
3. Access the account online to view savings and to manage it.

There are several ways to start funding a *myRA* account:

- **From a paycheck.** Savers can set up automatic direct deposit to their *myRA* with their employer.
- **From a checking or savings account.** Savers can set up recurring or one-time contributions to their *myRA* from a savings or checking account.
- **From a federal tax refund.** At tax time savers can direct some or all of their federal tax refund to their *myRA*.

## MORE INFORMATION

Media inquiries may be directed to the U.S. Treasury Press Office at **202-622-2960** or by email at **press@treasury.gov**. Visit **myRA.gov** for more information.

<sup>1</sup> Annual and lifetime contribution limits and annual earned income limits apply, as do conditions for tax-free withdrawal of earnings. Limits listed are for 2016 and may be adjusted annually for cost-of-living increases. To learn about key features of a Roth IRA and for other requirements and details, go to [myRA.gov/roth-ira](http://myRA.gov/roth-ira).

<sup>2</sup> Withdraw interest earned without tax and penalty five years after your first contribution if you are over age 59 1/2 or meet certain other conditions, such as using the funds for the purchase of your first home.