



About *myRA*

Fact Sheet

The U.S. Department of the Treasury has developed *myRA* (*my* Retirement Account), a Roth IRA with a risk-free investment that makes saving for retirement simple, safe, and affordable.* Individuals can open a *myRA* with no start-up cost and there are no fees for the maintenance of the account. *myRA* has no minimum contribution requirement, so savers can contribute the amount that best fits their budget.* The investment in a *myRA* is backed by the U. S. Treasury, and the account carries no risk of losing money.

Why was *myRA* developed?

There are millions of workers in America who either don't have access to an employer-sponsored retirement plan or lack options to save for retirement. In some cases, they don't have enough money saved to meet a minimum for opening an investment account. The U. S. Treasury developed *myRA* to address some of these common barriers to retirement saving and to provide a retirement savings option that is simple, safe, and affordable for savers. *myRA* is not a replacement for 401(k)s or other types of employer-sponsored retirement savings plans.

Who is *myRA* for?

myRA is designed for people without access to employer-sponsored retirement savings plans. Because *myRA* follows Roth IRA* rules, savers (or their spouses, if married filing jointly) must have taxable compensation to be eligible to contribute to a *myRA* account and generally must earn an annual income of less than \$131,000 for individuals, and \$193,000 for married couples filing jointly.*

How does *myRA* work?

Contributions to *myRA* accounts are invested in a new U. S. Treasury security, which safely earns interest at the same variable rate as investments in the government securities fund for federal employees. This fund has had an average annual return of 3.19% over the ten-year period ending December 2014.

Savers can contribute to their *myRA* accounts as little as a few dollars a month 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).* The *myRA* account can have a maximum balance of \$15,000 or a lower balance for up to 30 years. When either of these limits is reached, savings will have to be transferred or rolled over into a private-sector Roth IRA. A transfer or rollover to the private sector allows savers to continue to grow their savings past the maturity of their *myRA* starter savings account. Savers can choose to transfer or roll over their account balance into a private-sector Roth IRA at any time.

How do *myRA* contributions work?

Currently, savers can fund their *myRA* accounts from their paychecks, as long as their employer offers direct deposit and is able to direct a portion of the paycheck to the *myRA* account. Additional methods to contribute to *myRA* accounts will become available in the future, including ways for savers to contribute directly to their *myRA* accounts.

myRA accounts belong to the individuals creating the accounts and are not associated with any employer. This way, savers can continue to use the same *myRA* account even if they move to a new job. They just need to set up direct deposit with the new employer. And if savers have more than one job, they can contribute to their *myRA* through each employer (although total contributions from multiple sources may not exceed the Roth IRA annual contribution limits*).

How do *myRA* withdrawals work?

Savers can withdraw money they put into their *myRA* accounts tax-free and without penalty at any time. They can withdraw interest earned in their account without tax or penalty five years after their first contribution and if they are 59 ½ years old, or meet certain conditions, such as using the funds for the purchase of a first home.*

How do employers participate?

Employers can help employees start saving for retirement by introducing them to *myRA* as a new retirement savings option. *myRA* costs nothing for employers to participate; they do not administer employee *myRA* accounts, contribute to them, or match employee contributions. Each payday, employers simply facilitate a payroll deduction from the employee's paycheck to the designated *myRA* account.

Getting started with *myRA*

Individuals can open an account at no cost and in a matter of minutes. There are three simple steps to saving with *myRA*:

1. Open a *myRA* account at **myRA.treasury.gov**.
2. Set up automatic direct deposit through your employer.
3. Access the account online to view the balance and manage the account.

myRA customer support can also assist individuals with this process.

Contact us

If you have questions about *myRA*, please visit **myRA.treasury.gov** or contact *myRA* customer support at **855-406-6972** or **TTY/TDD 855-408-6972** or **International 1-414-365-9616**. You can also e-mail us at **myRA@treasury.gov**.

*Annual and lifetime contribution limits and annual earned income limits apply, as do conditions for tax-free withdrawal of earnings. Limits listed are for 2015 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.treasury.gov/roth-ira**.