

Timing is Everything

Some helpful retirement tips for employees from the IRS...



National Save for Retirement Week

Congress has designated October 19 - 25, 2008, as “[National Save for Retirement Week](#)” in an effort to increase awareness of the need to save adequate funds for retirement.

The Internal Revenue Service also supports the goal and has information and resources to educate employees about retirement savings.

Did You Know...



- Retirement can last for 30 years or more?
- Retirees may need up to 80% of their annual income today to retire comfortably?
- The average amount paid monthly by the Social Security Administration in the form of a benefit is \$1,083?

Why Participate in a Retirement Plan?

Saving through an employer retirement plan is one of the easiest ways for employees to save. Recent tax law changes have increased the contribution amounts that are deductible for 401(k) plans and IRAs, for example. Participants age 50 or older can save additional amounts to help catch up on their savings as they near retirement.

Other employee benefits include: tax on employee contributions is deferred until distributed, investment gains in the plan are not taxed until distributed, retirement assets can be carried from one employer to another, contributions can be made easily through payroll deductions, Saver’s Credit is available, and better financial security is available upon retirement.

Future Retirement Savings Value

Monthly Savings, 6%	5 Years	15 Years	20 Years
\$50	\$3,489	\$14,541	\$23,102
\$200	\$13,954	\$51,164	\$92,408
\$500	\$34,885	\$145,409	\$231,020

How We Can Help

The Internal Revenue Service is committed to working to assist employees by providing publications, web site resources (www.irs.gov/ep), outreach, and telephone assistance ((877) 829-5500) to help in understanding federal retirement plan law.