

Accumulation and Distribution of Individual Retirement Arrangements, 2004

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For 2004, individual income taxpayers contributed approximately \$48.7 billion to Individual Retirement Arrangements (IRAs). In addition, \$214.9 billion were reported as rollovers into IRAs for 2004, usually from employer-sponsored plans (such as 401(k) plans).¹ At year-end, approximately 50.9 million taxpayers held \$3.3 trillion in IRAs based on the fair market value.

Almost 90 percent of the year-end fair market value, 89.6 percent, (\$3.0 trillion), was invested in traditional IRA plans (Figure A and Table 1). Simplified Employee Pension (SEP) plans accounted for 5.1 percent (\$169 billion), Roth IRA plans accounted for 4.2 percent (\$140 billion), and Savings Incentive Match Plans for Employees (SIMPLE) plans accounted for 1.0 percent (\$34 billion). Even though traditional IRAs accounted for most of the year-end fair market value, Roth IRA contributions accounted for almost one-third of contributions for the year, 30.2 percent (\$14.7 billion). SEP plans accounted for 28.2 percent (\$13.8 billion) of contributions, traditional IRA plans accounted for 25.9 percent (\$12.6 billion), and SIMPLE plans accounted for 15.6 percent (\$7.6 billion).

For Tax Year 2004, while \$48.7 billion were contributed by 14.7 million taxpayers, 12.3 million taxpayers withdrew \$140 billion, of which \$133 billion were from traditional IRA plans, \$4.5 billion were from SEP plans, \$1.9 billion were from Roth plans, and \$0.2 billion were from SIMPLE plans.

Types of Plans

Traditional IRAs

IRAs were created by the Employee Retirement Income Security Act (ERISA) of 1974. These first retirement accounts, termed traditional IRAs, remained the principal type of retirement account held by taxpayers in 2004. In general, contributions to traditional IRAs could be made by individuals who received taxable compensation (e.g., wages, salaries, commis-

sions, and self-employment income). For 2004, the maximum contribution amount to a traditional IRA was the smaller of \$3,000 or the individual's taxable compensation. For taxpayers age 50 and older, an additional \$500 "catch-up" contribution was allowed. Both contribution limits were legislated by the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA). Additional restrictions based on age, coverage by a retirement plan at work, income, and filing status limited the amount that could be contributed in any particular tax year and whether the contribution could be deducted from income. In general, taxpayers less than 70 ½ years of age who were not covered by a retirement plan at work could make a traditional IRA contribution that was deductible from his or her income otherwise subject to income tax. However, this deduction would be limited based on income level, filing status, and if the taxpayer's spouse was covered by an employer-sponsored retirement plan. For example, for 2004, a married taxpayer filing jointly had his or her deduction limited when modified adjusted gross income levels were \$160,000 or more and the other spouse had employer coverage.² Before 59 ½ years of age, most withdrawals from traditional IRAs were subject to a 10-percent additional tax. In general, distributions from the plan were required to begin by April 1 of the year following the year in which the taxpayer reached age 70 ½ and were taxed as ordinary income.

Of the 5.3 million taxpayers in 2004 who contributed to a traditional IRA, 3.1 million taxpayers were age 50 or older. Of these 3.1 million taxpayers, 1.6 million taxpayers took advantage of some or all of the catch-up contribution allowance (Table 6), and 96 percent of them took advantage of the entire catch-up contribution allowance and contributed the \$3,500 maximum.

Simplified Employee Pension IRAs

Employer-sponsored Simplified Employee Pension IRAs (SEP-IRAs), introduced in the Revenue Act of 1978, allow employers to make contributions for their employees' retirements. Self-employed individuals could also use a SEP-IRA to contribute to their own retirements. For 2004, an employer could

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¹ See Explanation of Selected Terms.

² See Explanation of Selected Terms.

Figure A

Taxpayers with IRA Contributions, by Type of Plan, Tax Year 2004

Type of plan	Total contributions			End-of-year fair market value		
	Number	Amount (\$1,000)	Percent	Number	Amount (\$1,000)	Percent
	(1)	(2)	(3)	(4)	(5)	(6)
Total	14,706,060	48,728,654	100.0	50,948,264	3,299,300,157	100.0
Traditional IRA plans	5,305,442	12,632,543	25.9	40,776,679	2,956,687,858	89.6
SEP plans	1,571,637	13,757,176	28.2	3,464,511	168,681,300	5.1
SIMPLE plans	1,935,896	7,621,057	15.6	2,514,838	33,981,022	1.0
Roth IRA plans	6,657,635	14,717,878	30.2	13,479,182	139,949,977	4.2

contribute up to 20 percent of the first \$205,000 of an employee’s compensation, or \$41,000. The statistics presented in this article include the contributions made by the employers on behalf of the employees and contributions made by self-employed individuals. In 2004, 1.6 million taxpayers contributed \$13.8 billion to SEP-IRAs, which was second only to contributions made to Roth IRAs. At year-end, 3.5 million taxpayers held \$169 billion in SEP-IRA accounts.

SIMPLE IRAs

Savings Incentive Match Plans for Employees (SIMPLE) IRAs, introduced in the Small Business Job Protection Act of 1996, also provide a mechanism for employers (including self-employed individuals) to provide a tax-favored retirement plan for their employees. In addition to employee-determined “salary reduction contributions,” employers must make either matching contributions or nonelective contributions. For 2004, employee “salary reduction contributions” to a SIMPLE plan were limited to \$9,000, with a “catch-up” contribution allowance for those 50 and over of an additional \$1,500. Employer-matching contributions could not be more than 3 percent of an employee’s compensation for the year, while nonelective contributions were limited to 2 percent of an employee’s compensation for the year. Only \$205,000 of an employee’s compensation could be used to determine the nonelective contribution limit. The statistics reported in this article include the amounts contributed as employee-determined “salary reduction contributions” and the employer’s matching or nonelective contributions.

For 2004, 1.9 million taxpayers contributed to a SIMPLE IRA, 364,000 more individuals than for

SEP-IRAs, but their contributions represented only 13 percent of all IRA contributions.

Roth IRAs

Roth IRAs, introduced in the Taxpayer Relief Act of 1997, differ from traditional IRAs in several substantive ways. Contributions to Roth IRAs are never tax-deductible. However, qualified distributions from these plans are tax-free, and taxpayers are not required to take qualified distributions from these plans regardless of age. Similar to other IRAs, investment returns in the plan are not taxed each year. Contributions can be made regardless of age. However, no Roth IRA contributions were allowed for married taxpayers filing jointly who had modified adjusted gross incomes over \$160,000, or over \$10,000 for those filing separately. No Roth IRA contributions were allowed for unmarried taxpayers with modified adjusted gross incomes over \$110,000. These amounts have not changed since their introduction in 1998.

Like the traditional IRA, the maximum contribution amount was \$3,000 for taxpayers under age 50 and \$3,500 for those age 50 or older. Of the 6.7 million taxpayers in 2004 who contributed to a Roth IRA, 2.3 million taxpayers were age 50 or older. Of these 2.3 million taxpayers, 1.2 million taxpayers took advantage of the increased limit, and 94 percent of those taxpayers contributed the \$3,500 maximum (Table 7).

Trends in Contributions

Contributions by Size of Income

For 2004, approximately 145 million taxpayers, 79 percent of the total 184.1 million taxpayers, were eligible to make IRA contributions (Table 2), but only

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Figure B

Taxpayers with IRA Contributions, by Size of Adjusted Gross Income, Tax Year 2004

Size of adjusted gross income	IRA contributors		IRA contributions		End-of-year fair market value		
	Number	Percentage of eligible	Amount (\$1,000)	Average (\$1)	Number	Amount (\$1,000)	Average (\$1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All taxpayers, total	14,706,060	10.1	48,728,654	3,314	50,948,264	3,299,300,158	64,758
\$0	105,045	13.4	339,361	3,231	548,038	30,372,230	55,420
\$1 under \$10,000	457,638	2.2	878,336	1,919	2,326,026	76,655,764	32,956
\$10,000 under \$20,000	752,288	3.8	1,286,603	1,710	4,157,517	176,699,453	42,501
\$20,000 under \$30,000	1,250,381	7.1	2,498,356	1,998	4,201,618	176,975,099	42,121
\$30,000 under \$40,000	1,310,584	8.9	3,052,654	2,329	4,338,263	182,163,851	41,990
\$40,000 under \$50,000	1,401,947	11.4	3,677,978	2,623	4,408,267	197,673,420	44,842
\$50,000 under \$75,000	2,977,444	12.3	7,932,144	2,664	9,980,108	534,142,176	53,521
\$75,000 under \$100,000	2,370,275	15.3	7,503,213	3,166	7,533,068	502,357,915	66,687
\$100,000 under \$200,000	3,005,606	19.8	12,982,307	4,319	9,675,188	798,035,628	82,483
\$200,000 or more	1,074,851	28.9	8,577,702	7,980	3,780,171	624,224,622	165,131

14.7 million taxpayers did so (Figure B and Table 2).³ Participation rates and average contributions increased with the size of adjusted gross income.⁴ Participation rates and average contributions were also high in the “No Adjusted Gross Income” category, which contains many well-to-do individuals who experienced temporary losses in the given tax year.

Contributions by Age of Contributor

Consistent with prior years, for 2004, the average contribution rose with the age of the taxpayer for all

age groups (Figure C and Table 4). The average contribution was \$1,875 for taxpayers under age 30 and \$3,843 for taxpayers in the 50 under 60 age group. The average increased for the 70-and-over age group to \$4,900, but the group represented only 160,000 taxpayers or 5 percent of all IRA contributors.

Contributions by Gender and Filing Status

On average, married individuals filing joint returns contribute larger amounts to their IRA accounts and maintain a larger yearend fair market value than do

Figure C

Taxpayers with IRA Contributions, by Age of Taxpayer, Tax Year 2004

Age	IRA contributors		IRA contributions		End-of-year fair market value		
	Number	Percentage of eligible	Amount (\$1,000)	Average (\$1)	Number	Amount (\$1,000)	Average (\$1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All taxpayers, total	14,706,060	10.1	48,728,653	3,314	50,948,264	3,299,300,157	64,758
No age information	373	0.6	1,118	2,997	2,829	172,135	60,847
Under 30	1,405,223	4.5	2,634,920	1,875	2,340,522	13,373,032	5,714
30 under 40	3,000,561	8.7	8,459,439	2,819	7,404,413	145,890,215	19,703
40 under 50	3,892,862	10.9	12,827,808	3,295	11,271,482	381,199,444	33,820
50 under 60	4,236,384	14.8	16,281,574	3,843	13,114,334	869,483,501	66,300
60 under 70	2,010,730	16.8	7,740,072	3,849	9,639,297	1,088,406,443	112,913
70 and over	159,927	5.2	783,722	4,900	7,175,387	800,775,387	111,600

³ See Explanation of Selected Terms.

⁴ Taxpayers are grouped according to the adjusted gross income reported on the tax return. Thus, a married-filing-jointly return with \$200,000 in adjusted gross income results in two taxpayers reported in the “\$200,000 under \$500,000” category.

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Figure D

Taxpayers with IRA Contributions, by Taxpayer Filing Status and Gender, Tax Year 2004

Filing status and gender	IRA contributors		IRA contributions		End-of-year fair market value		
	Number	Percentage of eligible	Amount (\$1,000)	Average (\$1)	Number	Amount (\$1,000)	Average (\$1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All taxpayers, total	14,706,060	10.1	48,728,654	3,314	50,948,264	3,299,300,158	64,758
Men	9,782,527	9.8	34,356,396	3,512	32,028,860	2,369,857,726	73,991
Women	4,923,534	10.9	14,372,258	2,919	18,919,404	929,442,432	49,126
Taxpayers filing joint returns, total	10,088,051	13.4	35,977,667	3,566	36,565,457	2,511,761,138	68,692
Men	6,762,052	12.8	25,704,277	3,801	23,923,449	1,982,705,632	82,877
Women	3,325,999	14.7	10,273,390	3,089	12,642,008	529,055,506	41,849
Taxpayers filing nonjoint returns, total	4,618,010	6.7	12,750,987	2,761	14,382,807	787,539,020	54,756
Men	3,020,475	6.4	8,652,119	2,864	8,105,411	387,152,094	47,765
Women	1,597,535	7.1	4,098,868	2,566	6,277,396	400,386,926	63,782

individuals filing nonjoint returns (Figure D and Table 5). Regardless of marital status, men tended to contribute more than women.

Summary

Approximately 50.9 million taxpayers held \$3.3 trillion in individual retirement arrangements based on the yearend 2004 fair market value of their plans. For Tax Year 2004, more than 14.7 million taxpayers made contributions of \$48.8 billion. However, only 5.5 million taxpayers were able to deduct their contributions on their individual income tax returns; 41 percent (\$20.2 billion) of the \$48.7 billion in contributions was deductible. More than 3.6 million taxpayers rolled over \$214.9 billion into IRA plans. For 2004, taxpayers also converted \$2.8 billion from traditional IRAs to Roth IRAs. Approximately 12.3 million taxpayers withdrew \$140 billion from their plans.

Explanation of Selected Terms

Modified Adjusted Gross Income—Adjusted Gross Income figured without taking into account any IRA deduction or foreign-earned income exclusion or foreign housing exclusion (deduction), any deduction for student loan interest, any qualified bond interest exclusion, and exclusions for certain tax-exempt interest amounts.

Eligible taxpayer—Those who qualified under Federal income tax law to make deductible or non-deductible contributions to a traditional and/or Roth

IRA plan. In other words, they include all taxpayers under age 70 ½ with earned income for traditional IRAs, as well as older taxpayers with earned income and modified adjusted gross income under the legally specified limits for Roth IRAs.

Fair Market Value (FMV)—On Form 5498, the trustee holding an IRA account reports to the owner and to the IRS the value of that account as of year's end (i.e., December 31).

Rollovers—Rollovers are amounts transferred from one account to another. In most cases, the amounts identified as “rollovers” on Form 5498 represent withdrawals from employer-sponsored plans that are then invested from one traditional IRA plan to another—but only if the taxpayer makes the withdrawal on his or her own and deposits the amount into another IRA account within 60 days. Trustee-to-trustee transfers are not generally considered rollovers; however, if a taxpayer made a contribution to one IRA during 2004, and later in the year decided to “recharacterize” it as a contribution to another IRA, the amount recharacterized is also shown as a rollover.

Data Sources and Limitations

The data presented in this article are based on information collected from matched samples of Forms 1040, *U.S. Individual Income Tax Return*; Forms 5498, *IRA Contribution Information*; and Forms 1099-R, *Distributions from Pensions Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance*

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Contracts, etc. for Tax Year 2004. Data from individual income tax returns (Form 1040) are based on a stratified weighted sample.⁵ For a general description of the sampling procedures and data limitations of Statistics of Income tabulations, see *Statistics of Income, Individual Income Tax Returns, 2004*.

In addition to the limitations of the Form 1040 sample described in the above-referenced report, special limitations apply to the Form 5498 data. As is true for Form 1040, these data are before audit. In the case of contributions to IRA plans, this means that some Forms 5498 show amounts in excess of the maximum allowable contributions. Based on research conducted on previous years' files, formulas were developed to either disallow the excess amounts or move them into the "rollover" category.

Distributions shown on Forms 1099-R were considered IRA distributions if either the "IRA/SEP/SIMP" box was checked, or if one of the category boxes contained a code indicating Roth or early SIMPLE IRA distributions. If all that was checked was the "IRA/SEP/SIMP" box, an allocation had to

be made to Traditional, SEP, or SIMP IRA distributions in order to classify the taxpayer in Tables 1 and 6. If the taxpayer's Form 5498 indicated a fair market value in one of those plans, it was chosen as the source of the distribution. All remaining amounts were classified as traditional IRA distributions.

References

Sailer, Peter J. and Victoria Bryant, "Accumulation and Distribution of Individual Retirement Arrangements, 2001-2002," *SOI Bulletin*, Spring 2006, Volume 25, Number 4, pp. 233-254.

Sailer, Peter J. and Sarah E. Nutter, "Accumulation and Distribution of Individual Retirement Arrangements, 2000," *SOI Bulletin*, Spring 2004, Volume 23, Number 4, pp. 121-134.

Publication 590, *Individual Retirement Arrangements (IRAs)*, Internal Revenue Service, Department of Treasury, for more information on eligibility requirements and limitations.

⁵ For more information on matching and sampling procedures, see Sailer, Peter J.; Michael E. Weber; and Kurt S. Gurka (2002), "Are Taxpayers Increasing the Buildup of Retirement Assets? Preliminary Results from a Matched File of Tax Year 1999 Tax Returns and Information Returns," *National Tax Association Proceedings*, Ninety-fifth Annual Conference, pp. 364-369.

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Table 1. Taxpayers with Individual Retirement Arrangement (IRA) Plans, by Type of Plan, Tax Year 2004

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Type of plan	Total contributions [1]		Contributions deducted on Form 1040		Rollovers	
	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Total	14,706,060	48,728,654	5,587,535	20,245,616	3,636,027	214,878,446
Traditional IRA plans	5,305,442	12,632,543	4,011,681	10,028,607	3,636,027	214,878,446
SEP plans	1,571,637	13,757,176	920,770	7,923,068	n.a.	n.a.
SIMPLE plans	1,935,896	7,621,057	733,163	2,293,941	n.a.	n.a.
Roth IRA plans	6,657,635	14,717,878	n.a.	n.a.	n.a.	n.a.

Type of plan	Roth conversions [2]		Withdrawals [3]		End-of-year fair market value	
	Number	Amount	Number	Amount	Number	Amount
	(7)	(8)	(9)	(10)	(11)	(12)
Total	168,697	2,815,456	12,275,427	139,621,577	50,948,264	3,299,300,157
Traditional IRA plans	168,697	-2,815,456	11,737,957	133,041,979	40,776,679	2,956,687,858
SEP plans	N/A	N/A	308,432	4,511,946	3,464,511	168,681,300
SIMPLE plans	N/A	N/A	58,441	152,439	2,514,838	33,981,022
Roth IRA plans	168,697	2,815,456	604,830	1,915,213	13,479,182	139,949,977

N/A—Not applicable.

n.a.—Not available.

[1] For SEP and SIMPLE plans, total contributions include contributions made by the taxpayer directly, as well as those made by an employer.

[2] For Tax Year 2004, owners of traditional IRAs were able to convert traditional IRAs to Roth IRAs as long as they met the income limitations for making Roth IRA contributions. Under certain circumstances, SEP or SIMPLE IRAs could also be converted to Roth IRAs; however, these amounts could not be identified separately for the purpose of these statistics.

[3] Withdrawals are reported on Form 1099-R; does not include withdrawals made for the purpose of rollovers to other IRA accounts if the transfer was made by the trustee; Roth IRA conversions are shown separately.

NOTES: Except as noted, all data are from matched Forms 1040 and 5498; all figures are estimates based on samples—money amounts are in thousands of dollars.

SOURCE: Matched file of income tax returns, Forms 5498, and 1099-R for Tax Year 2004.

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Table 2. Taxpayers with Individual Retirement Arrangement (IRA) Plans, by Size of Adjusted Gross Income, Tax Year 2004

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of adjusted gross income [1]	All taxpayers			Taxpayers with IRA accounts reported on Form 5498					
	Total	With pension coverage on Forms W-2 [2]	Eligible to make IRA contributions	Total contributions		Contributions deducted on Form 1040		Rollovers	
				Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All taxpayers, total	184,171,485	65,841,897	144,909,584	14,706,060	48,728,654	5,587,535	20,245,616	3,636,028	214,878,448
\$0	2,402,976	148,412	782,603	105,045	339,361	33,163	130,826	30,811	1,234,872
\$1 under \$5,000	12,418,480	668,208	9,777,531	196,345	389,421	37,802	75,551	30,655	992,605
\$5,000 under \$10,000	13,373,159	1,374,082	10,573,960	261,293	488,915	94,046	186,843	79,814	2,561,548
\$10,000 under \$15,000	13,701,181	1,983,536	10,018,644	311,070	512,328	144,741	223,550	114,214	4,810,067
\$15,000 under \$20,000	13,918,724	2,937,962	10,072,756	441,218	774,275	240,570	427,516	117,316	3,692,873
\$20,000 under \$25,000	12,075,188	3,459,320	9,231,616	599,633	1,112,212	330,899	631,152	150,485	4,791,241
\$25,000 under \$30,000	10,902,509	3,568,056	8,415,980	650,748	1,386,144	373,537	892,775	132,419	4,926,566
\$30,000 under \$40,000	18,599,929	7,320,313	14,685,266	1,310,584	3,052,654	725,114	1,798,240	286,772	9,486,108
\$40,000 under \$50,000	15,261,524	6,527,994	12,303,223	1,401,947	3,677,978	628,934	1,874,936	302,068	12,118,226
\$50,000 under \$75,000	29,572,650	14,352,348	24,280,955	2,977,444	7,932,144	1,080,961	3,300,832	717,754	36,988,865
\$75,000 under \$100,000	18,279,097	10,335,206	15,532,744	2,370,275	7,503,213	631,016	2,426,032	576,893	29,428,700
\$100,000 under \$200,000	18,077,046	10,631,607	15,172,513	3,005,606	12,982,307	883,586	4,586,624	779,056	61,154,078
\$200,000 under \$500,000	4,344,839	2,066,978	3,245,112	848,705	6,532,438	304,645	2,828,327	244,371	29,791,969
\$500,000 under \$1,000,000	804,100	313,132	545,207	154,933	1,431,779	53,800	607,724	47,956	7,082,481
\$1,000,000 or more	440,083	154,743	271,474	71,213	613,485	24,721	254,688	25,444	5,818,249

Size of adjusted gross income [1]	Taxpayers with IRA accounts reported on Form 5498—continued					
	Roth conversions [3]		Withdrawals [4]		End-of-year fair market value	
	Number	Amount	Number	Amount	Number	Amount
	(10)	(11)	(12)	(13)	(14)	(15)
All taxpayers, total	168,697	2,815,456	12,275,427	139,621,577	50,948,264	3,299,300,158
\$0	1,934	91,098	116,294	1,540,883	548,038	30,372,230
\$1 under \$5,000	1,327	8,041	284,993	905,696	911,630	26,476,772
\$5,000 under \$10,000	897	3,252	626,137	2,632,107	1,414,396	50,178,992
\$10,000 under \$15,000	3,131	23,118	974,752	4,804,687	1,939,179	78,921,056
\$15,000 under \$20,000	3,977	23,625	1,025,986	5,163,777	2,218,338	97,778,397
\$20,000 under \$25,000	6,548	45,538	781,478	4,473,059	2,151,528	85,627,414
\$25,000 under \$30,000	7,417	55,941	700,161	4,789,422	2,050,090	91,347,685
\$30,000 under \$40,000	20,961	175,916	1,217,939	8,829,096	4,338,263	182,163,851
\$40,000 under \$50,000	16,407	124,594	1,092,850	9,126,556	4,408,267	197,673,420
\$50,000 under \$75,000	42,311	573,854	2,218,718	25,181,711	9,980,108	534,142,176
\$75,000 under \$100,000	33,048	856,038	1,353,985	21,390,645	7,533,068	502,357,915
\$100,000 under \$200,000	29,401	516,992	1,456,658	30,516,307	9,675,188	798,035,628
\$200,000 under \$500,000	979	130,791	337,777	14,157,116	2,903,801	425,150,187
\$500,000 under \$1,000,000	275	69,876	57,768	3,851,019	570,240	112,107,613
\$1,000,000 or more	84	116,782	29,931	2,259,496	306,130	86,966,822

[1] On joint returns, both taxpayers are placed into the same adjusted gross income class, as determined by the total amount on the return.

[2] Number of taxpayers with pension coverage is determined from Form W-2, box 13, which indicates participation in a retirement plan.

[3] Owners of traditional IRAs were able to convert them to Roth IRAs as long as they met the income limitations for making Roth IRA contributions. Under certain circumstances, SEP or SIMPLE IRAs could also be converted to Roth IRAs; however, these amounts could not be identified separately for the purpose of these statistics.

[4] Withdrawals are reported on Form 1099-R; does not include withdrawals for the purpose of rollovers to other IRA accounts if the transfer was made by the trustee; Roth IRA conversions are shown separately.

SOURCE: Matched file of income tax returns, Forms 5498, and 1099-R for Tax Year 2004.

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Table 3. Taxpayers with Individual Retirement Arrangement (IRA) Plans, by Type of Plan and by Size of Adjusted Gross Income, Tax Year 2004

[All figures are estimates based on samples—money amounts are in thousands of dollars and average amounts are in whole dollars]

Size of adjusted gross income [1]	Traditional IRA plans						SEP plans [3]					
	Total contributions			End-of-year fair market value			Total contributions			End-of-year fair market value		
	Number	Amount (\$1,000)	Average [2] (\$)	Number	Amount (\$1,000)	Average (\$)	Number	Amount (\$1,000)	Average (\$)	Number	Amount (\$1,000)	Average (\$)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All taxpayers, total	5,305,443	12,632,545	2,381	40,776,681	2,956,687,858	72,509	1,571,637	13,757,176	8,753	3,464,511	168,681,300	48,688
\$0	43,203	108,754	2,517	415,345	25,996,515	62,590	10,802	95,107	8,805	53,157	1,794,696	33,762
\$1 under \$5,000	43,970	82,525	1,877	621,972	23,517,218	37,811	7,292	26,768	3,671	34,724	492,094	14,172
\$5,000 under \$10,000	71,044	133,563	1,880	1,128,673	46,688,352	41,366	18,685	41,880	2,241	58,243	1,177,716	20,221
\$10,000 under \$15,000	108,293	167,052	1,543	1,632,942	74,218,593	45,451	15,879	55,070	3,468	57,286	1,246,283	21,755
\$15,000 under \$20,000	187,866	352,481	1,876	1,848,286	92,607,886	50,105	34,150	61,050	1,788	77,606	2,054,707	26,476
\$20,000 under \$25,000	219,942	438,512	1,994	1,681,348	80,451,666	47,850	48,670	99,385	2,042	106,380	1,574,781	14,803
\$25,000 under \$30,000	273,741	561,719	2,052	1,588,337	84,888,138	53,445	47,433	161,635	3,408	99,806	1,635,717	16,389
\$30,000 under \$40,000	499,126	1,108,915	2,222	3,368,445	166,628,097	49,467	111,669	354,938	3,178	226,418	4,318,146	19,072
\$40,000 under \$50,000	527,263	1,235,223	2,343	3,431,222	176,358,427	51,398	116,904	582,326	4,981	272,344	8,550,876	31,397
\$50,000 under \$75,000	1,038,071	2,340,848	2,255	7,830,006	480,170,196	61,324	247,139	1,281,909	5,187	559,401	19,785,421	35,369
\$75,000 under \$100,000	651,211	1,501,565	2,306	5,939,042	443,628,084	74,697	247,524	1,627,409	6,575	557,669	24,839,298	44,541
\$100,000 under \$200,000	987,760	2,643,890	2,677	7,900,227	704,880,614	89,223	401,446	4,388,066	10,931	853,469	46,691,095	54,707
\$200,000 under \$500,000	502,773	1,496,036	2,976	2,581,314	375,845,683	145,602	209,893	3,708,490	17,668	395,083	39,525,853	100,044
\$500,000 under \$1,000,000	100,888	306,343	3,036	523,280	100,509,155	192,075	38,638	901,986	23,345	77,708	9,615,764	123,742
\$1,000,000 or more	50,292	155,119	3,084	286,242	80,299,234	280,529	15,513	371,157	23,926	35,217	5,378,853	152,735
Size of adjusted gross income [1]	SIMPLE plans [4]						Roth IRA plans					
	Total contributions			End-of-year fair market value			Total contributions			End-of-year fair market value		
	Number	Amount (\$1,000)	Average (\$)	Number	Amount (\$1,000)	Average (\$)	Number	Amount (\$1,000)	Average [2] (\$)	Number	Amount (\$1,000)	Average (\$)
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All taxpayers, total	1,935,895	7,621,057	3,937	2,514,839	33,981,023	13,512	6,657,634	14,717,879	2,211	13,479,182	139,949,977	10,383
\$0	8,817	41,374	4,693	21,595	295,845	13,700	45,357	94,126	2,075	144,539	2,285,174	15,810
\$1 under \$5,000	4,873	3,634	746	12,169	74,299	6,106	144,086	276,493	1,919	309,836	2,393,162	7,724
\$5,000 under \$10,000	24,035	46,990	1,955	33,919	231,362	6,821	152,031	266,483	1,753	289,692	2,081,563	7,185
\$10,000 under \$15,000	45,478	32,633	718	63,910	490,346	7,672	149,127	257,572	1,727	331,226	2,965,834	8,954
\$15,000 under \$20,000	57,577	59,407	1,032	93,650	287,553	3,071	184,434	301,337	1,634	365,358	2,828,252	7,741
\$20,000 under \$25,000	103,884	167,040	1,608	143,262	560,396	3,912	246,756	407,275	1,651	458,074	3,040,571	6,638
\$25,000 under \$30,000	121,358	243,615	2,007	142,062	984,328	6,929	238,080	419,175	1,761	453,956	3,839,502	8,458
\$30,000 under \$40,000	235,137	567,078	2,412	285,488	2,325,134	8,144	535,289	1,021,724	1,909	1,060,361	8,892,475	8,386
\$40,000 under \$50,000	193,724	489,605	2,527	252,556	2,266,936	8,976	623,365	1,370,824	2,199	1,206,220	10,497,180	8,703
\$50,000 under \$75,000	437,464	1,258,741	2,877	551,920	5,422,148	9,824	1,397,311	3,050,646	2,183	2,814,819	28,764,410	10,219
\$75,000 under \$100,000	268,343	1,176,925	4,386	344,766	5,560,693	16,129	1,346,487	3,197,315	2,375	2,419,114	28,329,840	11,711
\$100,000 under \$200,000	290,256	2,083,849	7,179	384,286	8,766,666	22,813	1,520,654	3,866,502	2,543	3,180,186	37,697,252	11,854
\$200,000 under \$500,000	118,585	1,157,115	9,758	151,284	5,314,347	35,128	68,111	170,799	2,508	396,660	4,464,304	11,255
\$500,000 under \$1,000,000	19,036	208,893	10,974	24,524	990,508	40,389	5,380	14,557	2,706	37,288	992,186	26,609
\$1,000,000 or more	7,328	84,158	11,484	9,448	410,462	43,444	1,166	3,051	2,617	11,853	878,272	74,097

[1] On joint returns, both taxpayers are placed into the same adjusted gross income class, as determined by the total amount on the return.

[2] The statistics are based on unaudited data and contain some amounts in excess of the legal maximum. For additional explanation, see Data Sources and Limitations section of the article.

[3] For SEP plans, total contributions include contributions made by the taxpayer directly, as well as those made by an employer.

[4] For SIMPLE plans, total contributions include contributions made by the taxpayer directly, as well as those made by an employer.

SOURCE: Matched file of income tax returns, Forms 5498, and 1099-R for Tax Year 2004.

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Table 4. Taxpayers with Individual Retirement Arrangement (IRA) Plans, by Age of Taxpayer, Tax Year 2004

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Age	All taxpayers			Taxpayers with IRA accounts reported on Form 5498					
	Total	With pension coverage on Forms W-2 [1]	Eligible to make IRA contributions	Total contributions		Contributions deducted on Form 1040		Rollovers	
				Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All taxpayers, total	184,171,487	65,841,897	144,909,585	14,706,060	48,728,653	5,587,536	20,245,617	3,636,026	214,878,448
No age information	91,904	21,443	65,757	373	1,118	373	1,118	373	186
Under 15	529,706	8,649	87,109	13,339	31,321	4,928	9,668	0	0
15 under 20	3,937,311	258,436	3,572,544	65,143	116,133	16,008	9,691	935	2,804
20 under 25	13,374,661	2,713,626	12,726,264	372,072	636,528	102,300	147,847	16,311	50,241
25 under 30	15,995,556	5,783,553	14,650,938	954,669	1,850,938	263,236	479,717	107,440	862,800
30 under 35	17,174,229	7,255,351	15,139,238	1,229,889	2,980,507	348,648	888,514	253,905	3,163,295
35 under 40	22,382,203	9,252,474	19,329,433	1,770,672	5,478,932	497,512	1,964,155	433,894	21,688,016
40 under 45	19,978,422	9,159,126	17,551,960	1,762,876	5,564,245	566,875	2,026,130	364,474	12,960,780
45 under 50	20,421,625	9,780,452	18,049,178	2,129,986	7,263,563	780,225	2,972,204	377,747	14,202,489
50 under 55	18,231,125	8,819,896	15,923,110	2,231,785	8,200,025	921,688	3,467,085	501,202	27,681,268
55 under 60	15,463,237	7,001,989	12,709,726	2,004,599	8,081,549	906,406	3,686,415	490,787	41,209,845
60 under 65	11,709,051	3,811,882	8,122,854	1,383,096	5,473,130	727,772	2,849,851	485,130	43,578,426
65 under 70	8,199,787	1,330,101	3,880,276	627,634	2,266,942	382,501	1,335,607	322,959	28,245,508
70 under 75	6,336,503	431,238	1,799,789	127,858	632,955	55,460	328,062	182,201	15,851,621
75 under 80	4,795,571	154,104	831,598	26,119	110,213	8,452	52,636	58,812	3,642,797
80 and over	5,550,596	59,577	469,811	5,950	40,554	5,152	26,917	39,856	1,738,372

Age	Taxpayers with IRA accounts reported on Form 5498—continued					
	Roth conversions [2]		Withdrawals [3]		End-of-year fair market value	
	Number	Amount	Number	Amount	Number	Amount
	(10)	(11)	(12)	(13)	(14)	(15)
All taxpayers, total	168,698	2,815,457	12,275,427	139,621,578	50,948,264	3,299,300,157
No age information	0	0	0	0	2,829	172,135
Under 15	0	0	4,697	5,977	29,592	417,749
15 under 20	0	0	3,649	12,091	100,470	661,114
20 under 25	2,977	5,428	36,782	255,320	589,915	2,641,417
25 under 30	9,914	56,533	166,685	542,640	1,620,545	9,652,752
30 under 35	12,964	75,461	266,096	1,274,516	2,722,574	29,234,284
35 under 40	18,186	202,391	482,856	5,362,356	4,681,839	116,655,931
40 under 45	12,501	213,414	489,603	5,114,872	5,071,123	143,141,666
45 under 50	19,602	276,649	607,792	6,453,626	6,200,359	238,057,778
50 under 55	23,383	364,400	589,935	9,185,031	6,663,442	361,996,921
55 under 60	19,357	243,148	696,766	12,838,593	6,450,892	507,486,580
60 under 65	24,495	763,390	1,075,833	21,775,755	5,503,054	555,107,774
65 under 70	13,441	344,996	1,184,720	21,581,413	4,136,243	533,298,669
70 under 75	7,952	214,628	2,684,097	27,339,128	3,239,670	433,855,922
75 under 80	3,772	51,986	2,364,365	17,555,964	2,352,067	249,480,659
80 and over	154	3,033	1,621,551	10,324,296	1,583,650	117,438,806

[1] Number of taxpayers with pension coverage is determined from Form W-2, box 13, which indicates participation in a retirement plan.

[2] Owners of traditional IRAs were able to convert them to Roth IRAs as long as they met the income limitations for making Roth IRA contributions. Under certain circumstances, SEP or SIMPLE IRAs could also be converted to Roth IRAs; however, these amounts could not be identified separately for the purpose of these statistics.

[3] Withdrawals are reported on Form 1099-R; does not include withdrawals for the purpose of rollovers to other IRA accounts if the transfer was made by the trustee; Roth IRA conversions are shown separately.

SOURCE: Matched file of income tax returns, Forms 5498, and 1099-R for Tax Year 2004.

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Table 5. Taxpayers with Individual Retirement Arrangement (IRA) Plans, by Taxpayer Filing Status and Gender, Tax Year 2004

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Filing status and gender	All taxpayers			Taxpayers with IRA accounts reported on Form 5498					
	Total	With pension coverage on Forms W-2 [1]	Eligible to make IRA contributions	Total contributions		Contributions deducted on Form 1040		Rollovers	
				Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(11)
All taxpayers, total	184,171,487	65,841,898	144,909,584	14,706,060	48,728,654	5,587,535	20,245,615	3,636,026	214,878,446
Men	120,045,432	45,046,379	99,835,865	9,782,527	34,356,396	3,762,073	14,275,821	2,421,254	160,516,993
Women	64,126,055	20,795,519	45,073,719	4,923,534	14,372,258	1,825,462	5,969,794	1,214,772	54,361,453
Taxpayers filing joint returns, total	103,895,183	39,508,459	75,545,093	10,088,051	35,977,667	3,400,575	12,839,011	2,546,473	166,088,135
Men	68,005,850	27,890,967	52,985,222	6,762,052	25,704,277	2,352,754	9,217,565	1,803,788	133,102,341
Women	35,889,333	11,617,492	22,559,871	3,325,999	10,273,390	1,047,821	3,621,446	742,685	32,985,794
Taxpayers filing nonjoint returns, total	80,276,304	26,333,439	69,364,491	4,618,010	12,750,987	2,186,960	7,406,604	1,089,553	48,790,311
Men	52,039,582	17,155,412	46,850,643	3,020,475	8,652,119	1,409,319	5,058,256	617,466	27,414,652
Women	28,236,722	9,178,027	22,513,848	1,597,535	4,098,868	777,641	2,348,348	472,087	21,375,659

Filing status and gender	Taxpayers with IRA accounts reported on Form 5498—continued					
	Roth conversions [2]		Withdrawals [3]		End-of-year fair market value	
	Number	Amount	Number	Amount	Number	Amount
	(12)	(13)	(14)	(15)	(17)	(18)
All taxpayers, total	168,697	2,815,456	12,275,428	139,621,578	50,948,264	3,299,300,158
Men	124,722	2,187,885	7,114,717	98,256,823	32,028,860	2,369,857,726
Women	43,975	627,571	5,160,711	41,364,755	18,919,404	929,442,432
Taxpayers filing joint returns, total	111,450	2,136,798	8,157,568	97,859,050	36,565,457	2,511,761,138
Men	90,082	1,795,443	5,421,534	79,567,915	23,923,449	1,982,705,632
Women	21,368	341,355	2,736,034	18,291,135	12,642,008	529,055,506
Taxpayers filing nonjoint returns, total	57,247	678,658	4,117,860	41,762,528	14,382,807	787,539,020
Men	34,640	392,442	1,693,183	18,688,908	8,105,411	387,152,094
Women	22,607	286,216	2,424,677	23,073,620	6,277,396	400,386,926

[1] Number of taxpayers with pension coverage is determined from Form W-2, box 13, which indicates participation in a retirement plan.

[2] Owners of traditional IRAs were able to convert them to Roth IRAs as long as they met the income limitations for making Roth IRA contributions. Under certain circumstances, SEP or SIMPLE IRAs could also be converted to Roth IRAs; however, these amounts could not be identified separately for the purpose of these statistics.

[3] Withdrawals are reported on Form 1099-R; does not include withdrawals for the purpose of rollovers to other IRA accounts if the transfer was made by the trustee; Roth IRA conversions are shown separately.

SOURCE: Matched file of income tax returns, Forms 5498, and 1099-R for Tax Year 2004.

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Table 6. Taxpayers with Traditional Individual Retirement Arrangement (IRA) Plans, by Type of Plan and by Age of Taxpayer, Tax Year 2004

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Age of taxpayer	Total contributions to Traditional IRA plans													
	Total		Under \$2,000		Exactly \$2,000		Over \$2,000, under \$3,000		Exactly \$3,000		Over \$3,000, under \$3,500		Exactly \$3,500	
	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All taxpayers, total	5,305,443	12,632,543	1,624,115	1,301,719	362,076	724,152	276,557	684,008	1,430,331	4,290,990	63,958	212,256	1,548,405	5,419,416
No age information	373	1,118	0	0	0	0	0	0	373	1,118	0	0	0	0
Under 15	2,014	6,043	0	0	0	0	0	0	2,014	6,043	0	0	0	0
15 under 20	12,037	13,945	8,018	4,295	2,006	4,012	999	2,596	1,014	3,041	0	0	0	0
20 under 25	58,627	91,977	31,105	21,307	10,051	20,102	2,040	4,275	15,431	46,292	0	0	0	0
25 under 30	146,791	264,259	69,200	42,730	8,417	16,833	6,786	17,528	62,389	187,167	0	0	0	0
30 under 35	259,198	478,275	117,718	76,132	13,511	27,021	16,634	41,119	111,334	334,003	0	0	0	0
35 under 40	487,216	1,058,045	168,263	137,011	24,791	49,582	23,473	59,385	270,689	812,066	0	0	0	0
40 under 45	516,001	1,112,799	180,794	149,951	23,790	47,580	32,143	77,447	279,274	837,821	0	0	0	0
45 under 50	722,477	1,526,849	256,811	197,899	48,580	97,160	38,887	97,195	378,199	1,134,596	0	0	0	0
50 under 55	957,304	2,244,938	312,284	249,853	82,743	165,487	51,164	124,464	162,621	487,863	16,167	54,134	332,325	1,163,137
55 under 60	936,532	2,516,641	226,640	209,861	67,466	134,932	38,301	96,009	69,273	207,820	15,975	51,946	518,878	1,816,073
60 under 65	785,139	2,134,329	175,327	150,503	45,101	90,202	51,388	127,125	53,048	159,144	24,970	83,791	435,304	1,523,564
65 under 70½	421,734	1,183,325	77,955	62,177	35,620	71,241	14,742	36,865	24,672	74,016	6,846	22,385	261,898	916,642

NOTE: Traditional IRA refers to any IRA that is not a Roth IRA or a SIMPLE IRA, as defined by Publication 590 p. 3.

SOURCE: Matched file of income tax returns, Forms 5498, and 1099-R for Tax Year 2004.

Accumulation and Distribution of Individual Retirement Arrangements, 2004

Statistics of Income Bulletin | Spring 2008

Table 7. Taxpayers with Roth Individual Retirement Account (IRA) Plans, by Type of Plan and by Age of Taxpayer, Tax Year 2004

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Age of taxpayer	Total contributions to Roth IRA plans													
	Total		Under \$2,000		Exactly \$2,000		Over \$2,000, under \$3,000		Exactly \$3,000		Over \$3,000, under \$3,500		Exactly \$3,500	
	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)	Number	Amount (\$1,000)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All taxpayers, total	6,657,633	14,717,879	2,515,215	2,134,841	250,544	501,087	437,249	1,093,966	2,192,661	6,577,980	81,501	278,372	1,180,466	4,131,630
No age information	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Under 15	9,383	24,451	2,368	3,600	0	0	1,395	3,994	5,619	16,857	0	0	0	0
15 under 20	55,106	101,496	25,476	18,578	698	1,395	6,653	14,683	22,280	66,839	0	0	0	0
20 under 25	264,229	467,664	128,421	79,656	11,601	23,201	17,492	44,662	106,715	320,145	0	0	0	0
25 under 30	623,182	1,131,993	302,895	219,350	20,028	40,057	58,520	147,367	241,740	725,219	0	0	0	0
30 under 35	731,835	1,378,890	347,879	282,502	31,644	63,289	53,425	136,437	298,887	896,662	0	0	0	0
35 under 40	920,401	1,792,073	430,128	378,903	29,523	59,047	59,931	151,670	400,818	1,202,453	0	0	0	0
40 under 45	861,184	1,775,124	350,208	303,086	32,177	64,355	59,390	149,458	419,409	1,258,226	0	0	0	0
45 under 50	930,255	1,984,428	337,964	281,269	40,596	81,192	71,624	181,752	480,071	1,440,214	0	0	0	0
50 under 55	890,184	2,216,069	286,649	273,457	28,594	57,189	44,744	110,249	154,629	463,887	31,778	108,024	343,790	1,203,263
55 under 60	738,191	2,062,376	167,903	170,954	30,806	61,611	37,064	88,239	30,787	92,361	22,140	75,992	449,491	1,573,219
60 under 65	408,634	1,116,980	100,959	87,710	13,666	27,331	16,341	40,348	17,513	52,538	17,273	58,961	242,883	850,092
65 under 70	143,024	414,754	23,964	25,024	9,237	18,473	6,494	14,318	8,973	26,920	5,920	20,487	88,438	309,531
70 or more	82,025	251,581	10,401	10,752	1,974	3,947	4,176	10,789	5,220	15,659	4,390	14,908	55,864	195,525

NOTE: Roth IRA refers to an individual retirement plan that is subject to the rules that apply to a traditional IRA with exceptions, as defined by Publication 590 p. 36.

SOURCE: Matched file of income tax returns, Forms 5498, and 1099-R for Tax Year 2004.