



About *myRA*

Fact Sheet for Employers

To increase retirement savings for more Americans, the U.S. Department of the Treasury has developed *myRA* (*my* Retirement Account), a Roth IRA* 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 United States Treasury and earns interest at the same variable rate as investments in the government securities fund for federal employees. *myRA* accounts carry no risk of losing value.

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. Although anyone eligible to contribute to a Roth IRA* can use *myRA* to save for retirement, the program is especially designed for individuals without access to employer-sponsored retirement savings plans; it is not a replacement for 401(k)s or other types of employer-sponsored retirement savings plans.

How do employees contribute to *myRA*?

Currently, savers can fund their *myRA* accounts from their paychecks, as long as you, as the employer, offer direct deposit and are able to direct a portion of the paycheck to the *myRA* account. Additional methods to contribute to *myRA* accounts will be made available in the future, including ways for employees without access to payroll direct deposit to directly contribute to their *myRA* accounts.

myRA accounts belong to the employees creating the accounts and are not associated with the 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 request contributions to be set up through each employer (although total contributions from multiple sources may not exceed the Roth IRA annual contribution limits*).

How do employers participate?

The U.S. Treasury is working with a number of employers who have signed up to help introduce their employees to *myRA* as a new retirement savings option. All employers, however, are encouraged to speak to their employees about *myRA*, display promotional materials, and emphasize the importance of regular savings. It costs nothing for you to offer *myRA* to your employees; you do not administer employee *myRA* accounts, contribute to them, or match employee contributions. Each payday, you simply facilitate a payroll deduction from the employee's paycheck to the designated *myRA* account.

The U.S. Department of Labor has confirmed that you can distribute *myRA* information, facilitate employee enrollment, and otherwise encourage employees to make deposits to *myRA* accounts without these actions being treated as establishing or maintaining an employee pension benefit plan under the Employee Retirement Income Security Act (ERISA). In other words, by facilitating *myRA* participation, you won't become subject to fiduciary, reporting, disclosure, and other ERISA requirements that apply to sponsors of ERISA plans.**

Why should employers participate?

By introducing and educating your employees about *myRA* you accomplish the following:

- You expand your employees' options for retirement saving, especially for those without access to employer-sponsored retirement savings plans, such as part-time, seasonal, or temporary employees, as well as contracted individuals.
- You provide your employees with a retirement savings option that is easy to understand, safe to invest in, and costs nothing to your employees.
- You create a more attractive workplace for all your employees by showing that you are interested and committed to their financial future.
- You help your employees start saving for retirement and contribute to building a nation of savers.

How to get started with *myRA*?

You can help your employees start saving with *myRA* with a few simple steps:

1. **Learn more about *myRA* at myRA.treasury.gov.** Visit the "For Employers" page on the *myRA* website for details on *myRA* and how to help your employees start saving for retirement.
2. **Share *myRA* information with your employees.** Use the free materials and resources online to introduce your employees to *myRA* as a new option for retirement saving.
3. **Set up payroll deductions for employees with *myRA* accounts.** Set up a portion of your employees' paychecks to be directed to their *myRA* accounts just like any other payroll deduction.

For further assistance with this process, contact *myRA* support staff or, if you are a participating employer, your direct U.S. Treasury representative.

Contact us

For additional information on *myRA*, or if you are interested in becoming a participating employer, call *myRA* Outreach and Employer Support at **(844) 874-7590**.

* Annual and lifetime contribution limits and annual earned income limits apply, as do conditions for tax-free withdrawal of earnings. For 2015, individuals can contribute 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; and their annual earned income must be less than \$131,000 for individuals and less than \$193,000 for married couples filing jointly. Limits 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.

** Refer to the U.S. Department of Labor's guidance letter at <http://www.dol.gov/ebsa/regs/ILs/il121514.html>.