

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

brainchild of the Obama administration – is being phased out after an assessment.

Ken Berry, JD • Aug. 07, 2017



The myRA certainly wasn't around very long. On July 28, the Treasury Department announced that this government-sponsored retirement savings account – the brainchild of the Obama administration – is being phased out after an assessment. The myRa was officially launched in 2015, so it lasted less than two years.

Hoping to appeal to middle-to-lower income people, the myRA was designed to resemble the Roth IRA. It had the same contribution limits as Roths — \$5,500 for 2017 and \$6,500 if age 50 or over – and the ability to make contribution was subject to the same income restrictions. One major advantage of myRAs was that you could open an account with just \$25 and make contributions for as little as \$5. Typically, you have to ante up \$1,000 to start a Roth.

As with Roth IRAs, there was no current tax on earnings within a myRA. What's

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Because the program has been slow to catch on and demand has remained low, the Treasury Department will be closing down the myRA program over the next few months. Taxpayers have paid nearly \$70 million to manage the program since 2014 and the Treasury now claims that the cost to taxpayers can't be justified.

Accordingly, the myRA program is no longer accepting new enrollments. However, existing accounts will remain open and accessible until further notice. In other words, you can still make deposits if you want to, for the time being.

The Treasury says that participants in the myRA program will be formally notified soon about the changes. This will include information on how to move myRA funds to a Roth IRA. Participants will be contacted about the next steps and relevant deadlines will be provided for the transfer or closure of their accounts.

For more information, the Treasury is encouraging participants to visit www.myRA.gov. Log into your account to make sure your personal information is complete and up-to-date. Also, you may update your information by contacting customer service.

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved