

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

Contributions

The likelihood of increasing retirement contributions was consistent among those between the ages of 23-64, with older Millennials (ages 30-38) the most likely to say so. Among workers ages 65+, the tendency to have decreased retirement contributions ...c

Aug. 21, 2019



Just under one-third of working Americans (29%) have increased their retirement savings contributions compared to last year, according to a new study by Bankrate.com. Sadly, 16% of working Americans are saving less for retirement than last year. The full survey can be found here:

<https://www.bankrate.com/surveys/financial-security-august-2019/>

On a positive note, at 29%, the percentage of those increasing contributions has

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

than four times as likely as the highest earners to be saving less for retirement this year (26% vs. 6%). Another 1 in 10 of the lowest income households didn't save anything for retirement last year or this year.

The likelihood of increasing retirement contributions was consistent among those between the ages of 23-64, with older Millennials (ages 30-38) the most likely to say so. Among workers ages 65+, the tendency to have decreased retirement contributions rises as hours worked tend to decline for those easing into retirement.

"The power of compounding makes time your greatest ally when saving for retirement, and adds an urgency to contribute now not later, giving your money more time to grow," said Bankrate.com chief financial analyst, Greg McBride, CFA. "At any age, there is no better time than the present to ramp up retirement contributions."

Why aren't more Americans increasing their retirement contributions this year? Nearly 1 in 4 (24%) working Americans say it's because they're comfortable with the level of their retirement savings or the amount they're contributing – a response that understandably increases with age.

Stagnant or decreasing income is close behind at 23%, a response skewing heavily to the lowest income households (under \$30K) who are nearly twice as likely to cite this response than any other income group.

Focusing on another financial priority (16%), rising household expenses (12%), and 'haven't gotten around to it' (12%) are the other reasons commonly cited. 'Haven't gotten around to it' was cited more often by younger Millennials (ages 23-29) and households with lower than average incomes.

“The reasons Americans cite for not increasing retirement contributions indicate a

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

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