



Benefits Administration Letter

Number: 15-701

Date: January 13, 2015

Subject: myRA

This benefits administration letter provides information on a new retirement savings account developed by the U.S. Department of the Treasury. Treasury's new *myRA* (*my* Retirement Account) offers a simple, safe, and affordable retirement savings option that is targeted at employees who are not eligible to participate in an employer-sponsored retirement plan. This letter and the resources linked below should be used to counsel your employees who are not eligible to participate in the Federal Employees' Retirement System (FERS), the Civil Service Retirement System (CSRS), the Thrift Savings Plan (TSP) or other equivalent government retirement plans, such as the Foreign Service retirement plans, the Tennessee Valley Authority Retirement System, and the Federal Reserve System retirement plans, among others. This may include, for example, employees who are specifically excluded from CSRS and FERS retirement coverage, such as temporary employees with appointments not to exceed one year and intermittent employees on other than career or career conditional appointments.

In a nutshell, a *myRA* is a starter retirement savings account. It is a new type of Roth Individual Retirement Account (IRA) available to individuals who meet Roth IRA earned income requirements (in general, for 2014, less than \$129,000 per year, or less than \$191,000 for those who file taxes as married filing jointly). Individuals can open a *myRA* with no start-up cost and contribute every payday. A *myRA* will not lose value and there are no fees to maintain the account. The account is invested in a retirement savings bond issued and backed by the United States Treasury that earns interest at the same variable rate as investments in the Thrift Savings Plan's G Fund. Employees can contribute to a *myRA* by direct deposit. Employees can open a *myRA* account online and arrange for a payroll allotment to their account by providing their employer with a completed direct deposit authorization form.

Resources for the new *myRA* program are available at: <https://myra.treasury.gov/employers/resources/>. Available resources you can use to communicate with employees about *myRA* include a brochure, an infographic, and posters. Please use these resources to publicize the new *myRA* option for employees (for example, by hanging posters and making brochures available at the workplace) and please distribute this *myRA* information to employees as appropriate.

If you have any questions please contact myRA@treasury.gov.

Sincerely,

John O' Brien
Director
Healthcare and Insurance