How we build wealth at United Income

We use data and technology to reduce taxes, increase government benefits, and compound equity premiums. We call this Efficient Investing™.

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Retirees are living longer but not saving more

**Older adults are living longer, a trend that will continue**

Average years of life remaining at age 60, 1900-2050 estimate

- 1900: 15 years
- 1920: 17 years
- 1940: 22 years
- 2000: 28 years

**As a result, Americans need more money in retirement**

Expected spending in retirement (2016 dollars)

- 1989: $510K
- 2010: $758K

49% increase

**American men are still retiring around the same age**

Americans’ average age of retirement

- Men: 65.6 in 2010
- Women: 61.9 in 2010

**Savings rates have not kept up with longevity growth**

Personal savings rate as a percent of income

- 1959: 11.3%
- 2014: 6.0%

Source: Federal Reserve Board of Governors, National Center for Health Statistics at the Centers for Disease Control and Prevention (HHS), Federal Reserve Bank of St. Louis, Center for Retirement Research at Boston College
Overview of SECURE Act

• Increase access to workplace retirement savings plans
  • Open multiple employer plans (MEPs)*
  • Tax credit for small businesses that start offering plans and auto-enrolling workers
  • Enable long-term, part-time workers to contribute to workplace savings plans
  • Enable graduate students to contribute to IRAs

• Reform contribution and withdrawal rules
  • Allow contributions to traditional IRAs after age 70.5
  • Increase required minimum distribution (RMD) age from 70.5 to 72 years-old
  • Eliminate stretch IRAs by requiring most inheritors to withdraw IRA balances within 10 years*

• Increase annuity take-up
  • Fiduciary safe harbor for selection of lifetime income provider*
  • Disclosure regarding lifetime income

* Provisions where there is some pushback
Other Key Retirement Legislation

- **Retirement Enhancement and Savings Act (Grassley/Wyden)**
  - Largely identical to SECURE Act

- **Retirement Parity for Student Loans Act (Wyden)**
  - Would allow employers to make matching contributions to a retirement plan while their employees make student loan repayments (also included in Portman/Cardin)

- **Retirement Security & Savings Act (Portman/Cardin)**
  - Increases catch-up contribution limit from $6K to $10K for those 60+ and indexes to inflation
  - Expands “Saver’s Credit” for low-income savers, makes it refundable into retirement account
  - Raises RMD age to 75 and eliminates RMDs for those with retirement savings < $100K

- **Saving for the Future Act (Klobuchar/Coons)**
  - Requires larger employees to contribute at least $0.50 per hour worked to employee 401k
  - Creates federally-run UP accounts for employees of small businesses