

Retirement Savings Pop Quiz

Exploring Americans' understanding of 401(k) and IRA accounts

March 2019



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TD Ameritrade provides investing services and education to more than 11 million client accounts totaling approximately \$1.2 trillion in assets, and custodial services to more than 7,000 registered investment advisors. We are a leader in U.S. retail trading, executing an average of approximately 900,000 trades per day for our clients, more than a quarter of which come from mobile devices. We have a proud history of innovation, dating back to our start in 1975, and today our team of 10,000-strong is committed to carrying it forward. Together, we are leveraging the latest in cutting edge technologies and one-on-one client care to transform lives, and investing, for the better. Learn more by visiting TD Ameritrade’s newsroom at www.amtd.com, or read our stories at Fresh Accounts.

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About The Harris Poll

The Harris Poll is one of the longest-running surveys in the U.S., tracking public opinion, motivations and social sentiment since 1963. It is now part of Harris Insights & Analytics, a global consulting and market research firm that strives to reveal the authentic values of modern society to inspire leaders to create a better tomorrow. We work with clients in three primary areas; building twenty-first-century corporate reputation, crafting brand strategy and performance tracking, and earning organic media through public relations research. Our mission is to provide insights and advisory to help leaders make the best decisions possible.

Methodology

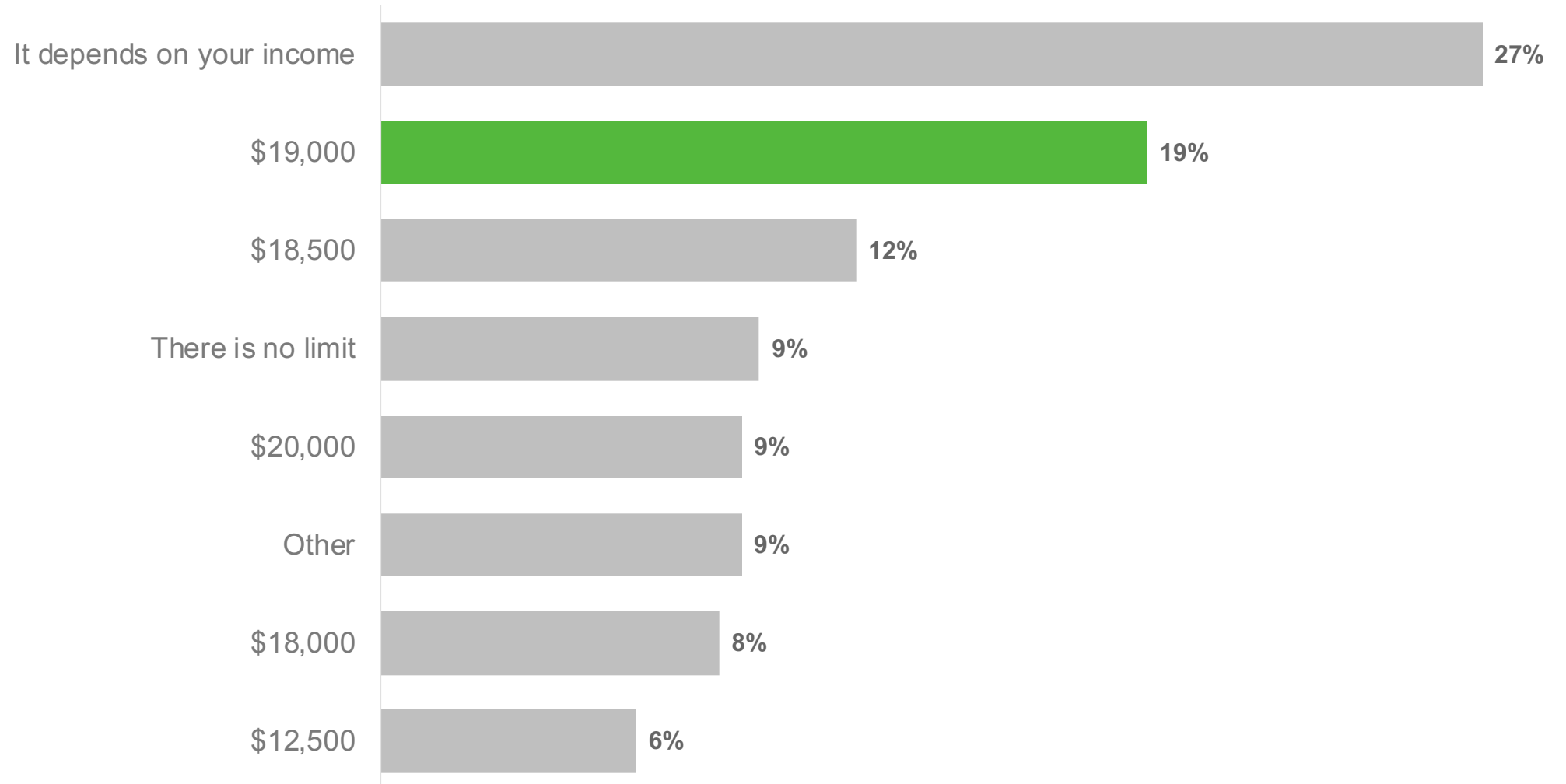
This survey was conducted online within the United States by The Harris Poll on behalf of TD Ameritrade from February 13-20, 2019, among 1,006 U.S. adults aged 22 and older with at least \$10,000 in investable assets. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. The Harris Poll is separate from and not affiliated with TD Ameritrade, which is not responsible for their services or policies.

401(k)s

Just one in five Americans (19%) know the 401(k) contribution limit for 2019

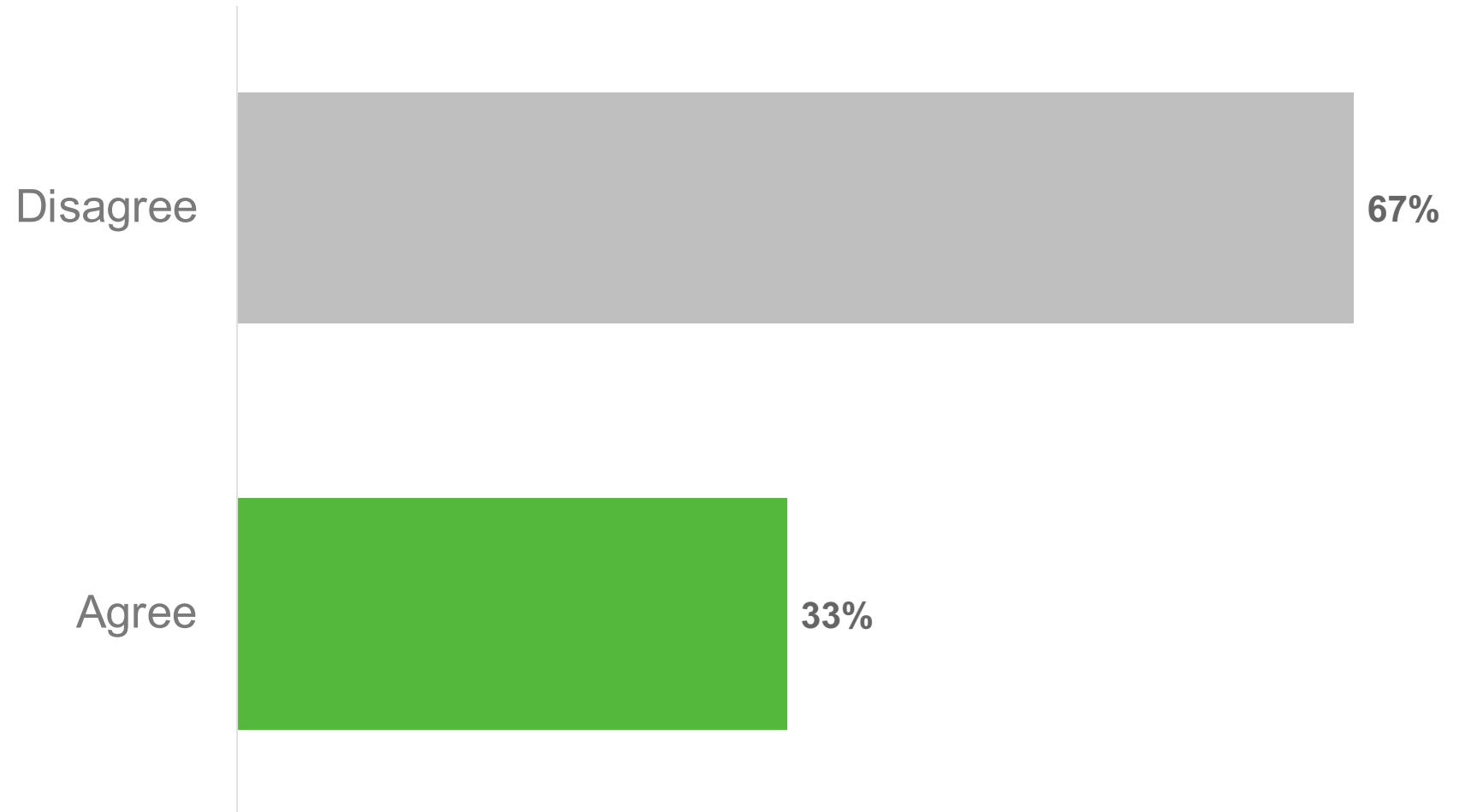
Majority believes that the contribution limit depends on their income

What's the contribution limit for employees who participate in 401(k) in 2019 (excluding catch-up contributions)?



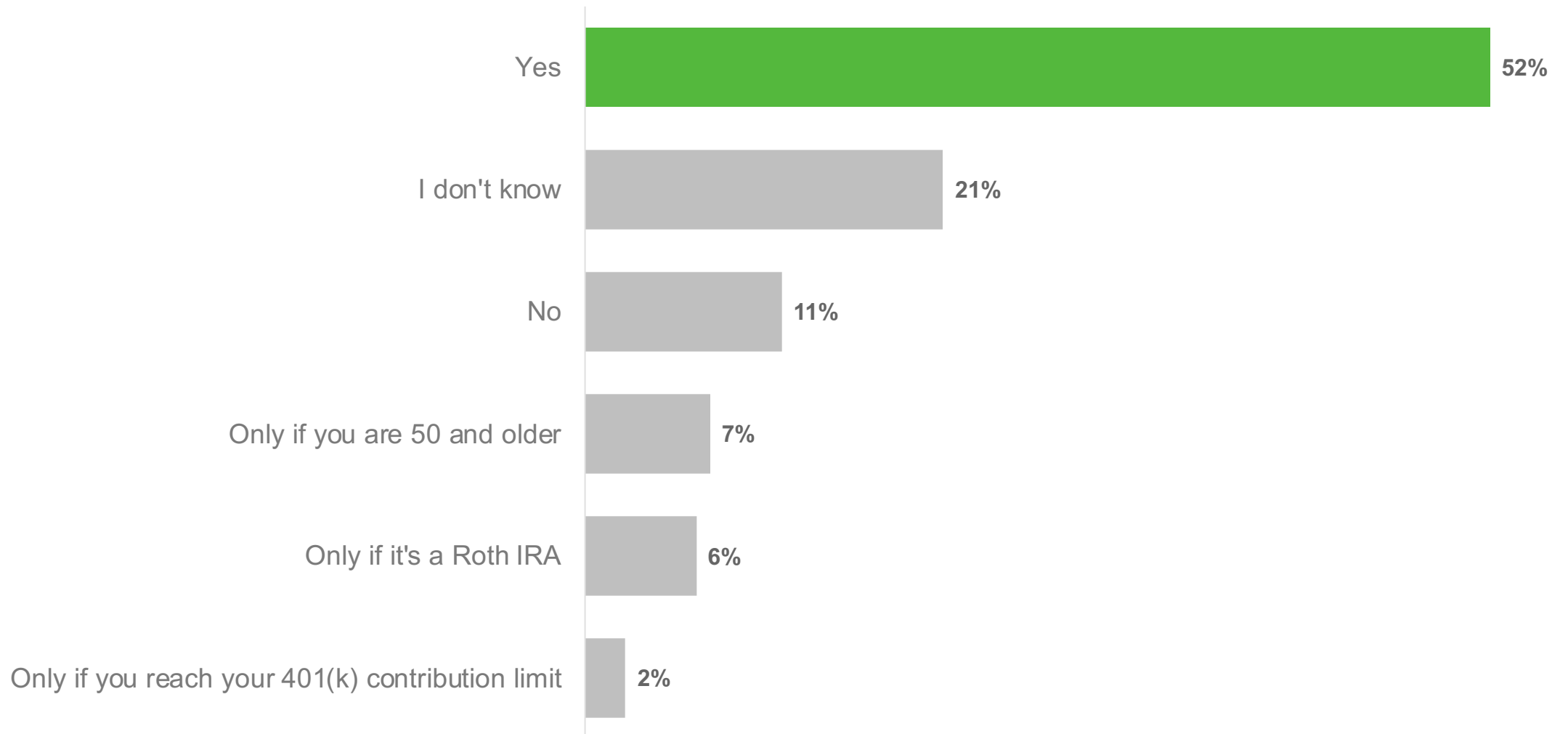
Only a third of Americans know how much they're paying in fees for their 401(k) account

I am aware how much I'm paying for the fees in my 401(k) account



Half of Americans are aware they can contribute to both a 401(k) and traditional IRA account

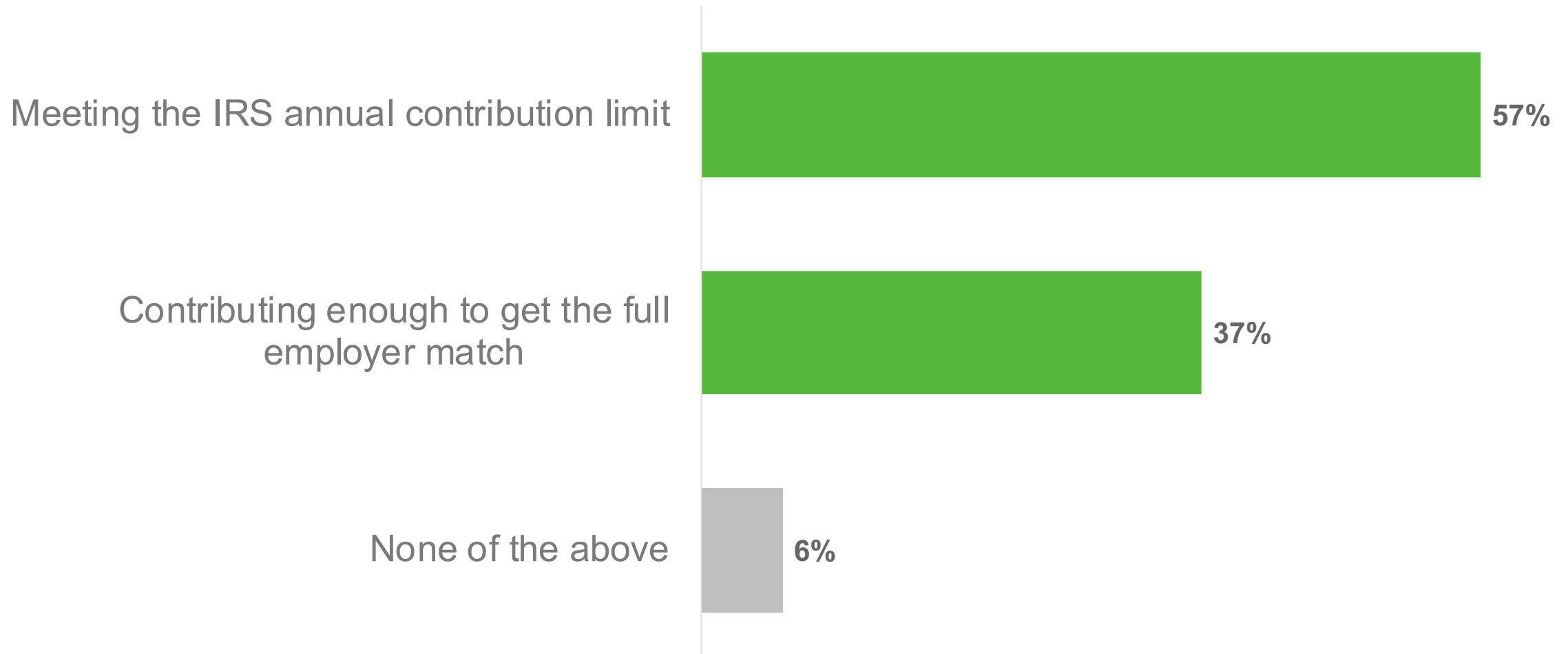
Are you allowed to contribute to both your 401(k) account and a traditional IRA account?



Source: The Harris Poll on behalf of TD Ameritrade (February 2019); n = 1,006

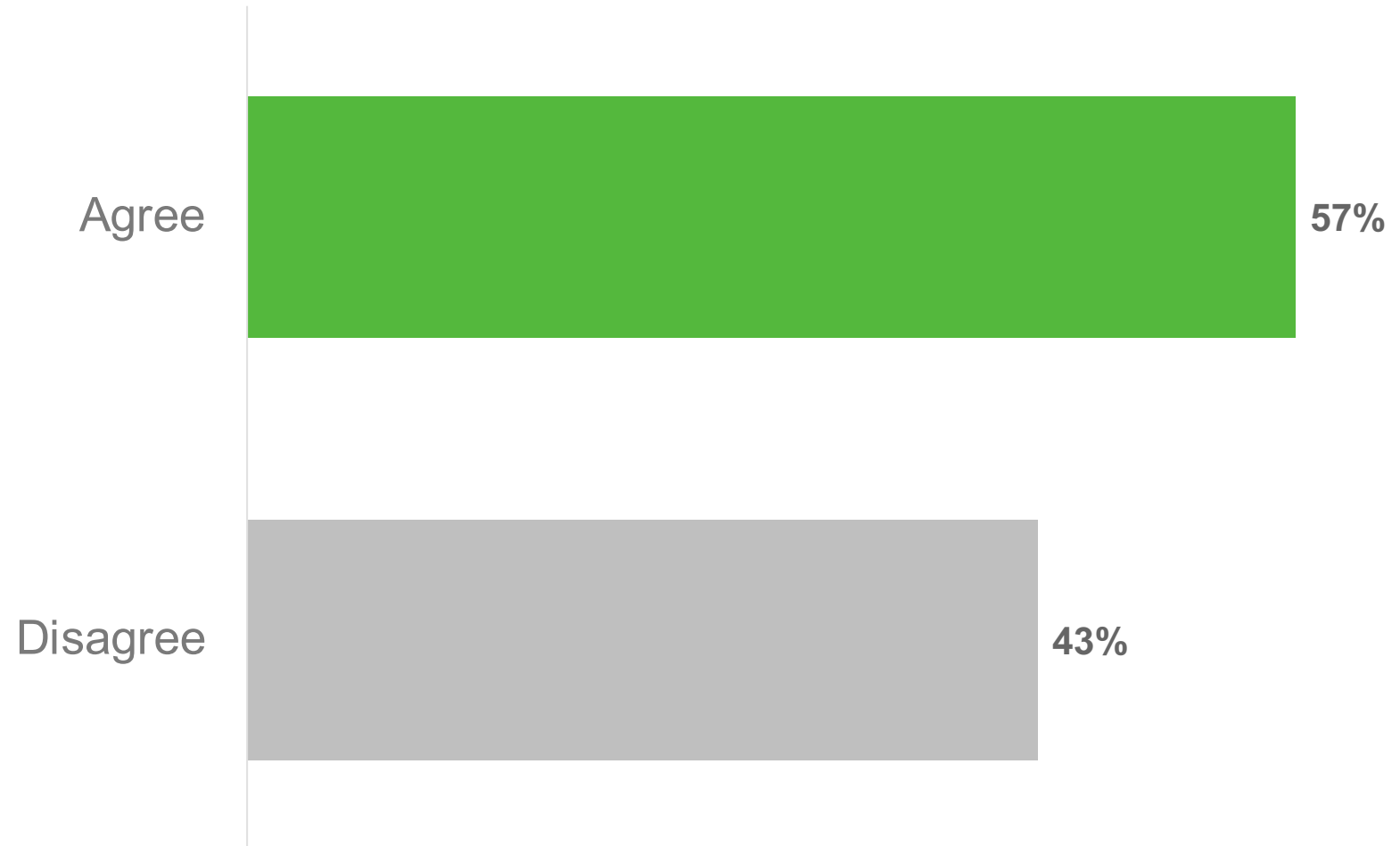
Most Americans understand that “maxing out your 401(k) for the year” means meeting the IRS annual contribution limit

What does it mean to "max out your 401(k) for the year"?



Nearly 6 in 10 Americans consider a company match for their 401(k) account as “free money”

A company match is basically “free money”

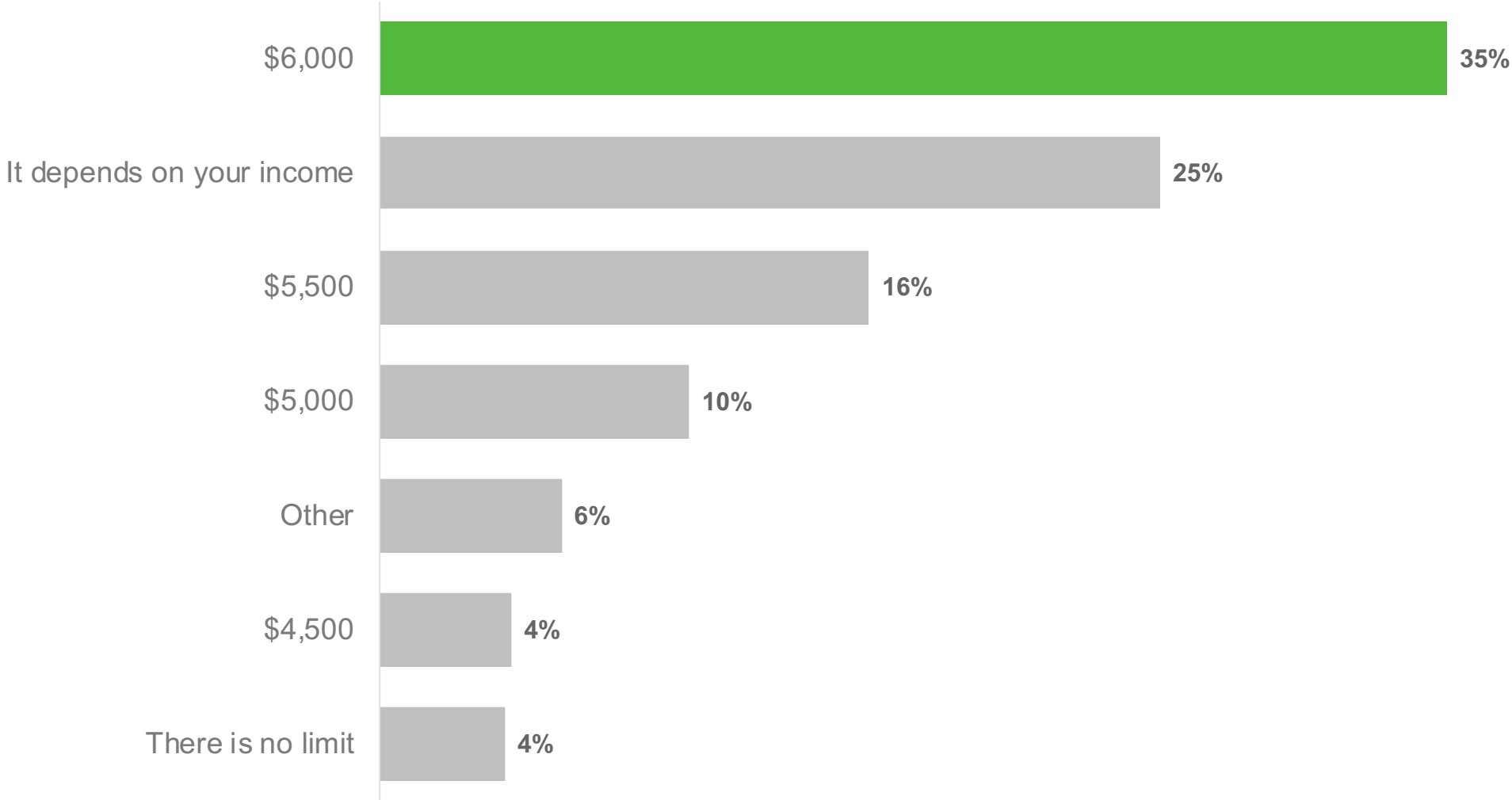


Traditional IRAs

Just a third of Americans (35%) know the 2019 contribution limit for traditional IRA

A quarter believes that the contribution limit depends on their income

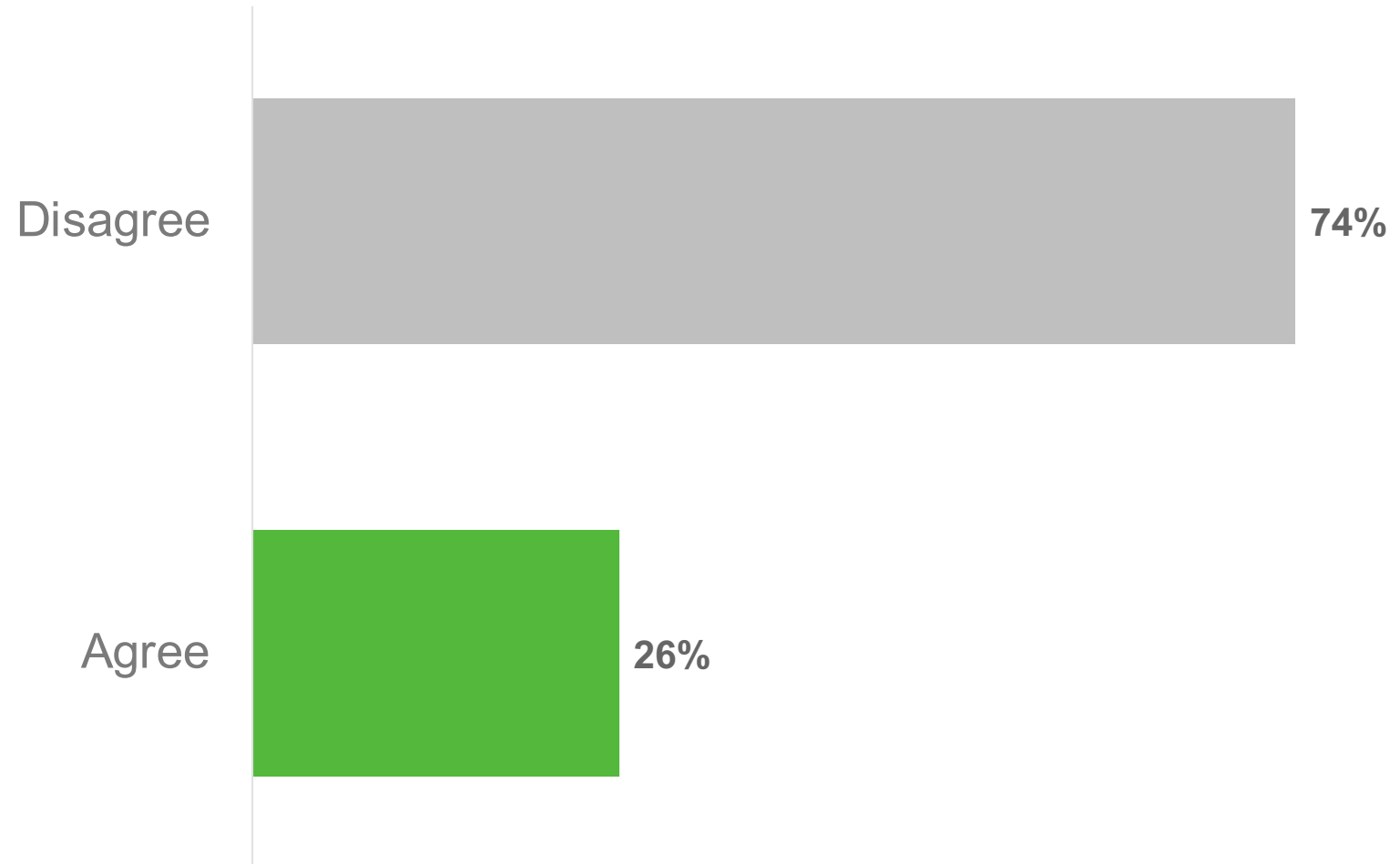
What's the 2019 limit on the annual contributions to a traditional IRA (excluding catch-up contributions)?



Source: The Harris Poll on behalf of TD Ameritrade (February 2019); n = 1,006

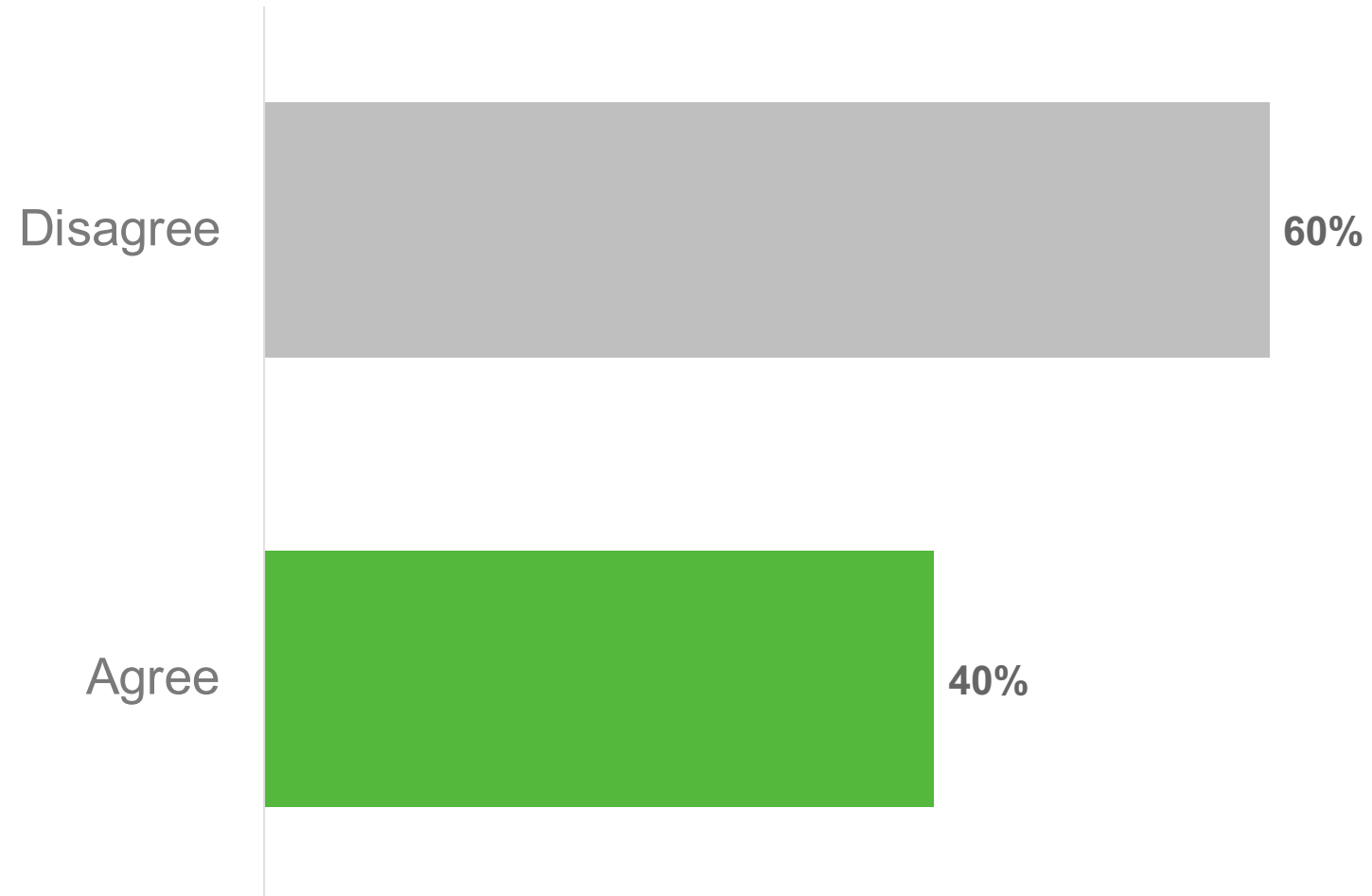
Only a quarter of Americans are aware that a nonworking (or low income-earning) spouse can contribute to a traditional IRA

Nonworking (or low income-earning) spouses can contribute to a traditional IRA



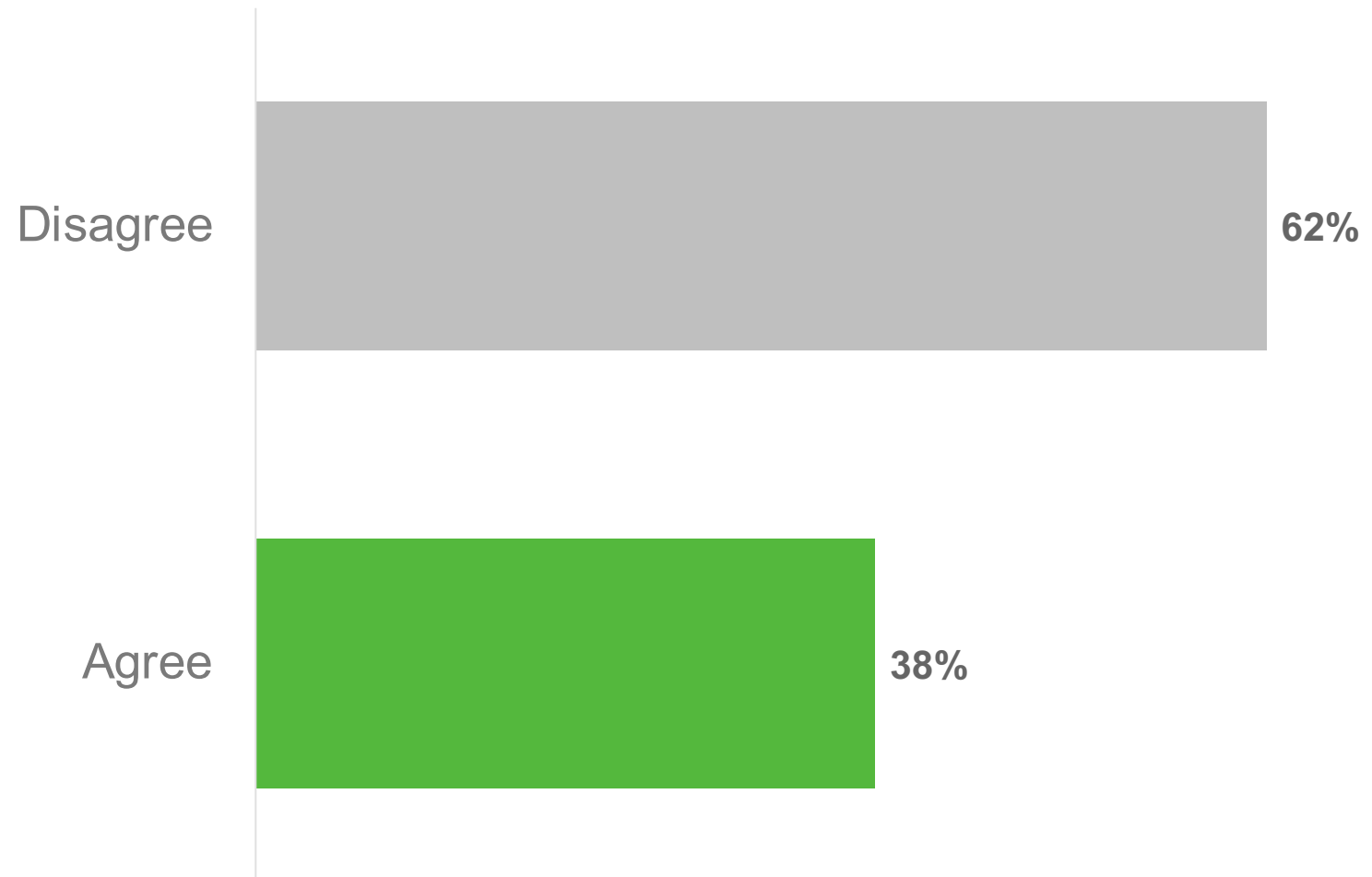
Majority of Americans mistakenly believe that you need to be in a certain tax bracket to qualify for contributing to a traditional IRA

You don't need to be in a certain tax bracket to qualify for contributing to a traditional IRA



Six in 10 Americans are unaware of required minimum distributions

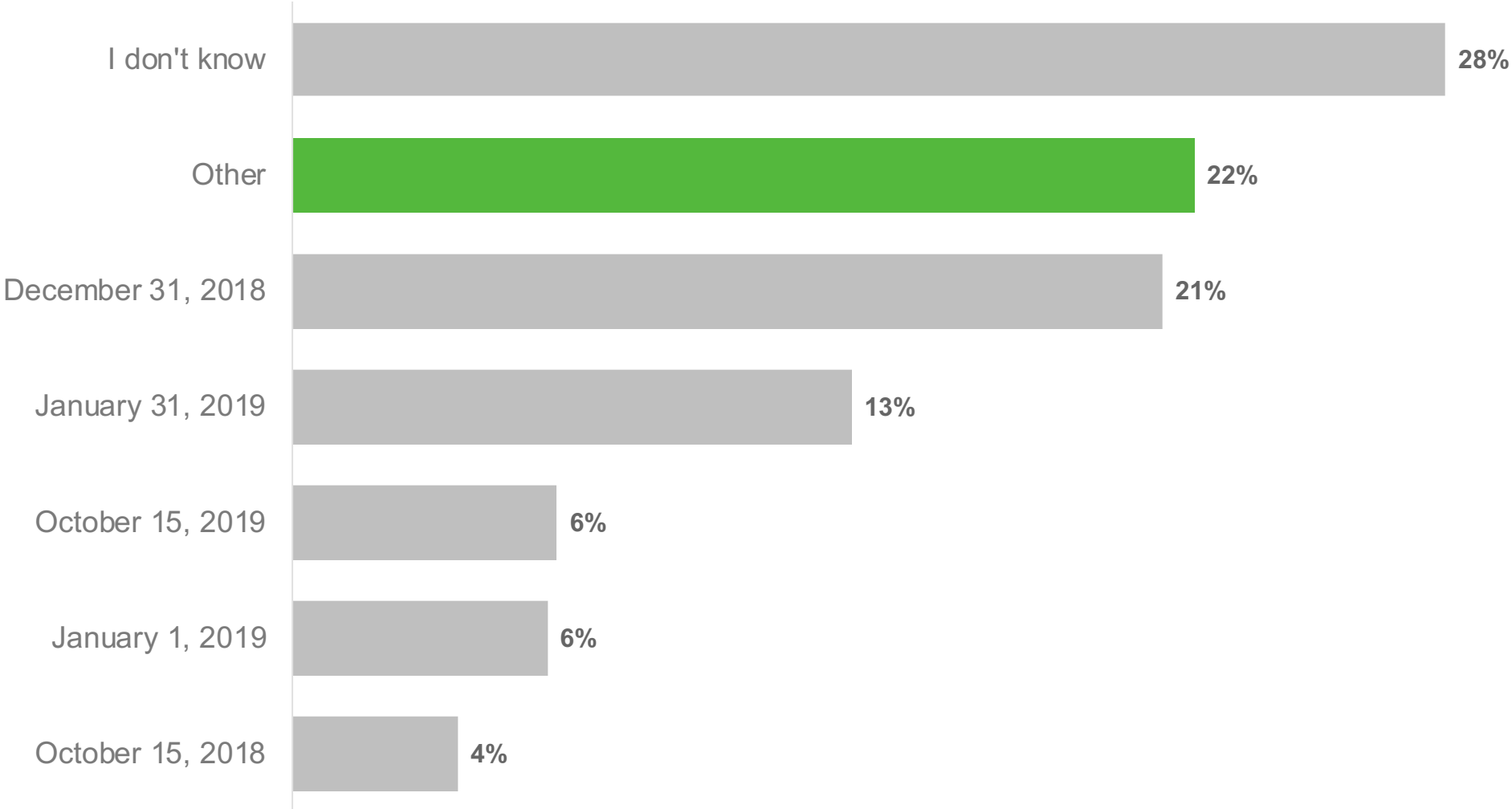
Unless you have a Roth IRA, you're required to start taking minimal distributions from your IRA once you turn a specific age



Eight in 10 Americans can't provide the correct contribution deadline to their IRA

2018 IRA contributions are accepted from January 1, 2018 through April 15, 2019

Please select the deadline to contribute to your 2018 IRA (Individual Retirement Account)



Source: The Harris Poll on behalf of TD Ameritrade (February 2019); n = 1,006