

# Steps to Save More for Your Retirement Today

Knowing that you should be saving and being able to do so don't always match up. In a recent study by MissionSquare Research Institute, 77% of public employees surveyed agreed that they should be saving more for retirement than they currently do.<sup>1</sup> But saving for retirement often competes with top priorities like paying down debt, managing other expenses, or simply being able to afford to save. Whether you're new to saving or have saved for years and facing obstacles, consider these steps:



**Save early and regularly.** If saving a large amount of your paycheck is difficult right now, consider setting aside a little money toward retirement. As a participant in your employer's 457 or 401 plan, you're saving automatically by making contributions directly from your paycheck. Over the long term, you could benefit from compounding, which means the interest on your savings, earnings, or dividends automatically are reinvested into your retirement plan. While compounding doesn't guarantee future results, you earn money not only on the amount you contribute but on your earnings, too – potentially growing your total account value.



**Get a tax break.** In 2023, you can contribute up to \$22,500 pretax (\$23,000 in 2024) and \$30,000 for those age 50 and above (\$30,500 in 2024) to a 457 plan, which may not lower your paycheck as much as you'd expect. And if you qualify, the [retirement Saver's Credit](#) from the IRS could help you save even more. The amount of the credit in 2024 is 50%, 20%, or 10% of your retirement plan contributions up to \$2,000 (\$4,000 if married filing jointly). Typically, the lower your income, the larger your tax credit.<sup>2</sup>



**Give your retirement savings a boost.** Consider setting a calendar reminder each year for yourself – like at the start of the year or during benefits enrollment at work – to increase your contribution. If you get a pay raise, quickly bump up your retirement plan contributions before you get used to living on a bigger paycheck. By adding extra to your contributions, you can significantly bolster your retirement account. Use our [Savings Boost calculator](#) to check the math and see what might work for you. You can increase your workplace retirement plan contributions by simply logging in to your account or scheduling a meeting with your MissionSquare representative.



**Catch up if you're age 50 or older.** [Making catch-up contributions is a great opportunity](#) to close a savings gap. For example, starting in the year you turn age 50, you can contribute an additional \$7,500 in a 457 plan, for a total of \$30,000 in 2023 (\$30,500 in 2024). [Learn more about the limits](#), including catch-up contributions.

<sup>1</sup>MissionSquare Research Institute, "35 and Under in the Public Sector: Why Younger Workers Enter and Why They Stay (or Don't)."

<sup>2</sup>We expect the IRS to provide details about the 2024 Saver's Credit soon and will provide updates when available.

**Get guidance.** To talk about more ways to increase your contributions to your employer's retirement plan, contact your MissionSquare Retirement Plans Specialist who is here to help you.