

Wage Income and Elective Retirement Contributions from Form W-2, 2008–2010

by Kevin Pierce and Jon Gober

For Tax Year 2008, some 140.7 million individual income taxpayers earned approximately \$5.7 trillion in wages, tips, and other compensation, as reported on Form W-2, *Wage and Tax Statement* (Figure A).¹ Both the total number of taxpayers and amount of wages declined 2 percent over the next 2 years to 136.8 million taxpayers with total earnings of approximately \$5.6 trillion. However, average W-2 earnings rose slightly from \$40,532 in 2008 to \$40,892 in 2010.

When comparing the wages of men and women, men, on average, earned more. However, between 2008 and 2010, women reported an increase in their average W-2 earnings, a continuing trend reflected in statistics going back to 1969, the first year the Statistics of Income (SOI) Division published data from Form W-2.² By comparison, men reported a decline in their average wage amount during this period.

Figure A

Taxpayers with Wage Income, by Gender of Taxpayer, Tax Years 2008 and 2010

[Money amounts are in thousands of dollars, and average amounts are in whole dollars]

Gender of taxpayer	2008		
	Number of taxpayers	Wages	Average wages
	(1)	(2)	(3)
Total	140,684,661	5,702,258,960	40,532
Men	71,523,806	3,576,401,602	50,003
Women	69,160,855	2,125,857,358	30,738
Gender of taxpayer	2010		
	Number of taxpayers	Wages	Average wages
	(4)	(5)	(6)
Total	136,789,811	5,593,648,880	40,892
Men	69,621,728	3,459,707,651	49,693
Women	67,168,082	2,133,941,230	31,770

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Form W-2 also provides information on individual participation in employer-sponsored retirement plans. In 2010, almost half (48 percent) of all taxpayers with Form W-2 participated in some form of an employer-sponsored plan, either through direct or employer contributions.³ Taxpayer participation in a retirement plan varied by age, gender, income, and filing status (Figure B). In general,

Figure B

Employer-Sponsored Retirement Plan, by Age, Return and Earner Type, and Gender of Taxpayer, Tax Year 2010

Age of taxpayer	All taxpayers		Nonjoint return, wage earner [1]	
	Women	Men	Women	Men
	(1)	(2)	(3)	(4)
Total	48.0	48.2	40.1	35.9
Under 26	18.9	22.6	17.6	20.7
26 under 35	46.5	44.9	41.1	38.0
35 under 45	54.2	54.8	49.1	43.5
45 under 55	58.4	59.4	53.1	47.5
55 under 60	61.4	61.7	57.7	49.3
60 under 65	57.2	56.4	56.9	50.9
65 under 75	40.8	38.2	41.1	32.5
75 and over	24.1	20.2	24.4	15.7

Age of taxpayer	Joint return, one wage earner [2]		Joint return, two wage earners [3]		
	Women	Men	Women	Men	Couples [4]
	(5)	(6)	(7)	(8)	(9)
Total	54.1	52.9	57.9	62.3	78.6
Under 26	28.9	38.7	28.5	40.8	52.5
26 under 35	44.4	47.1	55.3	57.4	74.3
35 under 45	53.5	54.2	59.1	64.9	80.4
45 under 55	58.8	60.9	63.1	67.3	82.6
55 under 60	64.4	64.2	64.0	68.2	84.5
60 under 65	56.8	57.7	57.7	58.5	78.7
65 under 75	41.8	39.1	38.8	40.5	63.4
75 and over	26.3	21.1	15.5	23.8	41.4

[1] Includes taxpayers filing single, married filing separately, head of household, or surviving spouse.

[2] Includes taxpayers filing jointly; one taxpayer reported W-2 wage income.

[3] Includes taxpayers filing jointly; both taxpayers reported W-2 wage income.

[4] Couples include married filing joint returns with two working individuals and at least one individual participated in an employer-sponsored retirement plan. For this column, the data were categorized by the age of the primary taxpayer.

¹ Throughout this study, individual income taxpayers with a Form W-2, refers only to primary taxpayers and/or secondary taxpayers who filed an individual income tax return. Dependents who did not file an individual income tax return and other individuals who did not file an individual income tax return are not included.

² See Sailer, Yau, and Gurka listed in the Reference section.

³ Taxpayers that participated in an employer-sponsored retirement plan were identified as having the retirement plan indicator checked on box 13 of Form W-2 or as having contributed to any one of the following retirement savings plans: 401(k), 403(b), 408(k)(6) SEP and 408(p) SIMPLEs, 457(b), 501(c)(18)(D), Roth 401(k), and Roth 403(b).

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as incomes and ages rose, more workers participated in a retirement plan of some form. A majority (78.6 percent) of taxpayers who filed a joint return, particularly tax returns with both spouses working, participated in a retirement plan either directly or through a spouse. Taxpayers filing nonjoint returns exhibited lower levels of participation (38 percent). About 36 percent of male and 40 percent of female wage earners who did not file a joint tax return participated in an employer-sponsored retirement plan. As a whole, taxpayers contributed approximately 7 percent of their gross earnings⁴ to a retirement plan, the bulk of which (77 percent) went to 401(k) plans (not shown in figure).

Wage Income

Men earned 61.9 percent (\$3.5 trillion) of the total wage income (\$5.6 trillion) reported on Form W-2, while women earned 38.1 percent (\$2.1 trillion) (Figure C). On average, in 2010, men reported earning \$49,693 in wages; women reported earning \$31,770. Men in the 45-under-55 age category reported the highest average wages (\$67,730), compared to both men and women in all other age categories. Women in the 45-under-55 age category reported the highest average amount of W-2 income (\$39,742), compared to men under age 35, men age 75 and over, and women in all other age categories.

Some 136.8 million taxpayers reported earned income on Form W-2 in 2010. Taxpayers earning at least \$50,000 and under \$75,000 represented the largest group of wage earners, both in number of taxpayers and amount of wages (Figure D). Taxpayers in this wage category comprised 13.4 percent of taxpayers and earned 20 percent of total wages reported for 2010. Nearly 90 percent of all taxpayers with a Form W-2 had wages at or below this level, and their wages made up the largest portion (approximately 60 percent) of the total W-2 wages earned.

Taxpayers who filed a nonjoint return, or those with filing statuses of single, married filing separately, head of household, or surviving spouse, comprised about half of all taxpayers with W-2 earnings from 2008 to 2010 (Figure E). Married couples filing joint returns with two wage earners made up the largest share of joint filers (around 37 percent), while married couples filing joint returns with one wage earner made up the remainder (around 13 percent).

Married couples filing jointly (even if only one had income) made up the largest share (about 64 percent) of the total wage amount for all three years. Among all taxpayers, married filing jointly individuals with two wage earners accounted for the largest share of W-2 earnings (42 to 43 percent), followed by taxpayers filing a nonjoint return (around 36 percent).

Figure C

Taxpayers with Wage Income, by Age and Gender of Taxpayer, Tax Year 2010

[Money amounts are in thousands of dollars, and average amounts are in whole dollars]

Age of taxpayer	All taxpayers			Women			Men		
	Number of taxpayers	Wages	Average wages	Number of taxpayers	Wages	Average wages	Number of taxpayers	Wages	Average wages
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total	136,789,811	5,593,648,880	40,892	67,168,083	2,133,941,229	31,770	69,621,728	3,459,707,651	49,693
Under 26	22,330,519	325,948,928	14,597	11,055,251	145,556,763	13,166	11,275,268	180,392,165	15,999
26 under 35	27,120,177	940,591,432	34,682	13,092,118	394,017,428	30,096	14,028,059	546,574,004	38,963
35 under 45	28,765,203	1,403,421,387	48,789	14,025,940	526,234,988	37,519	14,739,263	877,186,399	59,514
45 under 55	30,335,303	1,630,266,871	53,742	15,161,391	602,538,431	39,742	15,173,912	1,027,728,440	67,730
55 under 60	12,598,808	663,724,106	52,682	6,388,819	250,862,282	39,266	6,209,989	412,861,824	66,484
60 under 65	8,746,945	406,404,966	46,463	4,359,907	147,635,997	33,862	4,387,038	258,768,969	58,985
65 under 75	5,661,878	196,272,942	34,666	2,592,655	59,758,050	23,049	3,069,223	136,514,892	44,479
75 and over	1,230,977	27,018,249	21,949	492,001	7,337,291	14,913	738,976	19,680,958	26,633

⁴ Contribution rates are calculated by using Form W-2 box 5, Medicare wages, and tips, as a proxy for gross earnings.

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Figure D

Taxpayers with Wage Income, by Size of Wage Income and Gender of Taxpayer, Tax Year 2010

[Money amounts are in thousands of dollars]

Size of wage income	All taxpayers		Women		Men	
	Number of taxpayers	Wages	Number of taxpayers	Wages	Number of taxpayers	Wages
	(1)	(2)	(3)	(4)	(5)	(6)
Total	136,789,811	5,593,648,880	67,168,083	2,133,941,229	69,621,728	3,459,707,651
\$1 under \$5,000	14,787,390	34,895,305	8,203,461	19,807,816	6,583,929	15,087,489
\$5,000 under \$10,000	12,745,608	95,122,070	7,280,445	54,442,970	5,465,163	40,679,100
\$10,000 under \$15,000	12,070,397	150,316,678	6,843,730	85,353,188	5,226,667	64,963,490
\$15,000 under \$20,000	11,582,668	202,390,392	6,519,428	113,866,566	5,063,240	88,523,826
\$20,000 under \$25,000	10,824,752	243,062,956	5,976,899	134,044,516	4,847,853	109,018,440
\$25,000 under \$30,000	9,941,671	272,690,276	5,400,308	147,999,329	4,541,363	124,690,947
\$30,000 under \$40,000	17,541,520	610,150,466	8,901,314	308,937,340	8,640,206	301,213,126
\$40,000 under \$50,000	13,105,924	586,840,784	6,003,181	268,508,341	7,102,743	318,332,443
\$50,000 under \$75,000	18,397,684	1,116,335,436	7,484,442	451,093,256	10,913,242	665,242,180
\$75,000 under \$100,000	7,574,561	649,449,413	2,527,282	215,864,393	5,047,279	433,585,020
\$100,000 under \$200,000	6,427,843	840,626,777	1,706,280	218,828,879	4,721,563	621,797,898
\$200,000 under \$500,000	1,478,625	424,226,578	285,844	78,718,035	1,192,781	345,508,543
\$500,000 under \$1,000,000	222,523	149,510,680	26,476	17,585,186	196,047	131,925,494
\$1,000,000 under \$1,500,000	43,167	51,894,168	4,602	5,528,184	38,565	46,365,984
\$1,500,000 under \$2,000,000	16,712	28,729,850	1,911	3,282,039	14,801	25,447,811
\$2,000,000 under \$5,000,000	22,098	64,619,452	2,039	5,801,751	20,059	58,817,701
\$5,000,000 under \$10,000,000	4,586	31,090,492	330	2,219,329	4,256	28,871,163
\$10,000,000 and over	2,080	41,697,104	110	2,060,109	1,970	39,636,995

Taxpayers filing jointly had higher average wages than those filing nonjoint returns (Figure F). Couples with two wage earners exhibited the highest average W-2 wage amount (\$94,960) on a tax-return level in 2010. Individuals filing jointly had average wages of \$52,192, an amount over 75 percent higher than the average amount of earned income reported by taxpayers filing a nonjoint return (\$29,727). On an individual basis, taxpayers who were the sole earner on a joint return had higher average W-2 income (\$64,650) than taxpayers filing a joint return with two wage earners (\$47,480).

Another way of analyzing taxpayers with W-2 earnings is by looking at the percentage each spouse contributed to the total wage income on joint tax returns. In 2010, just over 2 million taxpayers—1.6 million women and 0.5 million men—had some wage income, but contributed less than 5 percent to the total wage income reported on a joint tax return (Figure G).

The largest category of women were those whose W-2 earnings made up at least 25 percent, but less than 50 percent (25 percent under 50 percent) of the total wage income on a joint tax return. Women in this category

accounted for about a third of all women with W-2 earnings reported on a joint return. For men, the largest category was the 100-percent category; namely, a third of all men who filed jointly and had earnings on a W-2, were the sole wage earner on their individual income tax return. Overall, among the 43.3 million taxpayers with W-2 income and filing jointly in 2010, women were the higher earner (earning over 50 percent of the total wage income) in about one third of all the cases, and men accounted for the remaining two-thirds of this total.

The average wage income was \$85,364 for all taxpayers whose W-2 wages made up 75 to under 100 percent of the total wage income reported on a joint tax return (not shown in figure). This was more than two times the average wage amount for all taxpayers with W-2 income in 2010. For the 2 million women in the 75-under-100-percent category, their total wage income of \$126.6 billion resulted in the highest average wage amount (\$62,097) earned by women filing a joint tax return. The 6.8 million men in this same category also had the highest average wage amount (\$92,360) among all men filing a joint tax return for Tax Year 2010.

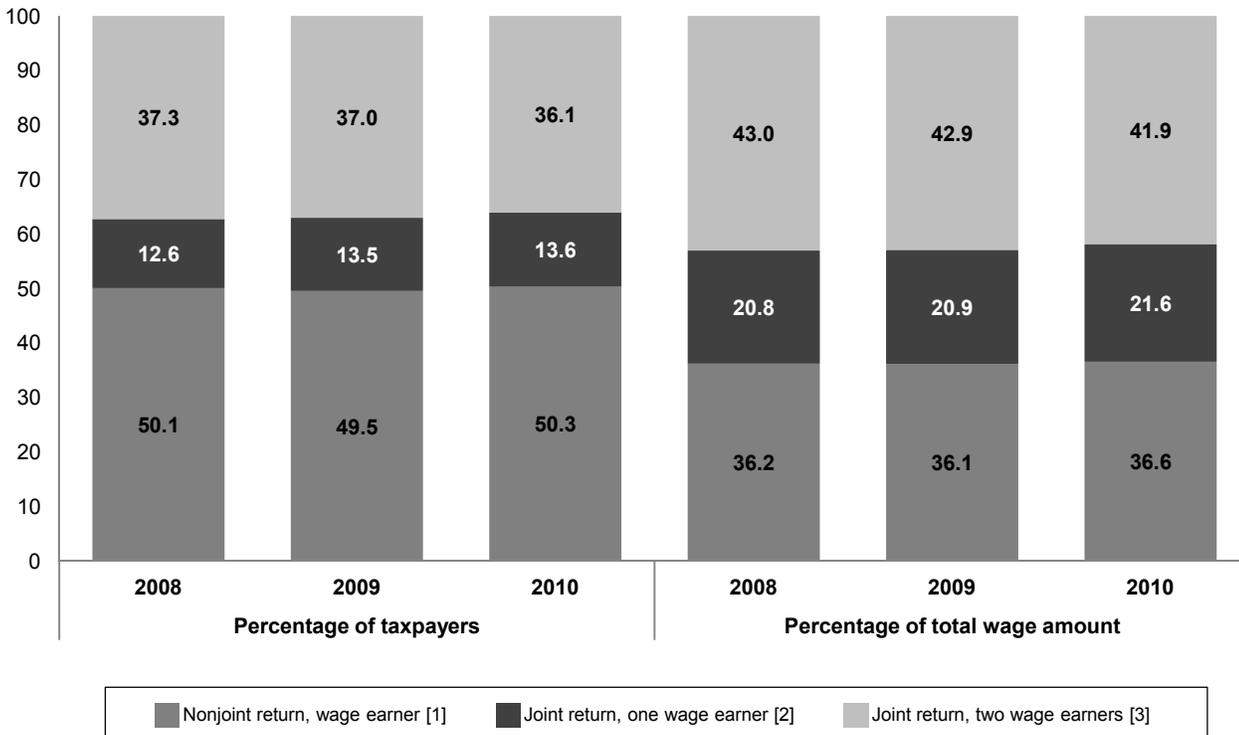
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Figure E

Taxpayers with Wage Income, by Return and Earner Type, Tax Years 2008–2010

Percent of total



[1] Includes taxpayers filing single, married filing separately, head of household, or surviving spouse.
 [2] Includes taxpayers filing jointly; one taxpayer reported W-2 wage income.
 [3] Includes taxpayers filing jointly; both taxpayers reported W-2 wage income.
 NOTE: Detail may not add to 100 percent because of rounding.

Elective Retirement Contributions

Form W-2 also provides information on individual participation in employer-sponsored retirement plans. Employer-based retirement plans fall into two main groups: defined benefit plans and defined contribution plans. Defined benefit plans, also referred to as traditional pension plans, promise individuals a specified benefit paid upon retirement, which is based on an employee's income, age, and/or length of service. For defined benefit plans, typically only the employer contributes on behalf of the employee. For defined contribution plans, benefits are paid out of contributions made by the employee and/or employer to the employee's retirement savings account, and any investment gains/losses within the account. Employers can contribute to a defined contribution plan regardless of employee participation.

Because employers can contribute to one or both of these retirement plans without employee participation, it is not possible to use the data in this study to distinguish fully between these two main groups. What can be distinguished, however, are individuals who participated in an employer-sponsored retirement plan through direct contributions and individuals who participated in a plan based only on contributions made by the employer.

In Tax Year 2010, almost half (or 65.8 million) of all taxpayers with W-2 income participated in an employer-sponsored retirement savings plan (not shown in figure). Of these taxpayers, 70 percent made a direct contribution to a retirement savings account and accounted for about a third (or 45.8 million) of all taxpayers who had earnings on Form W-2. The remaining 30 percent (or 20 million) of taxpayers who participated in an employer-based plan,

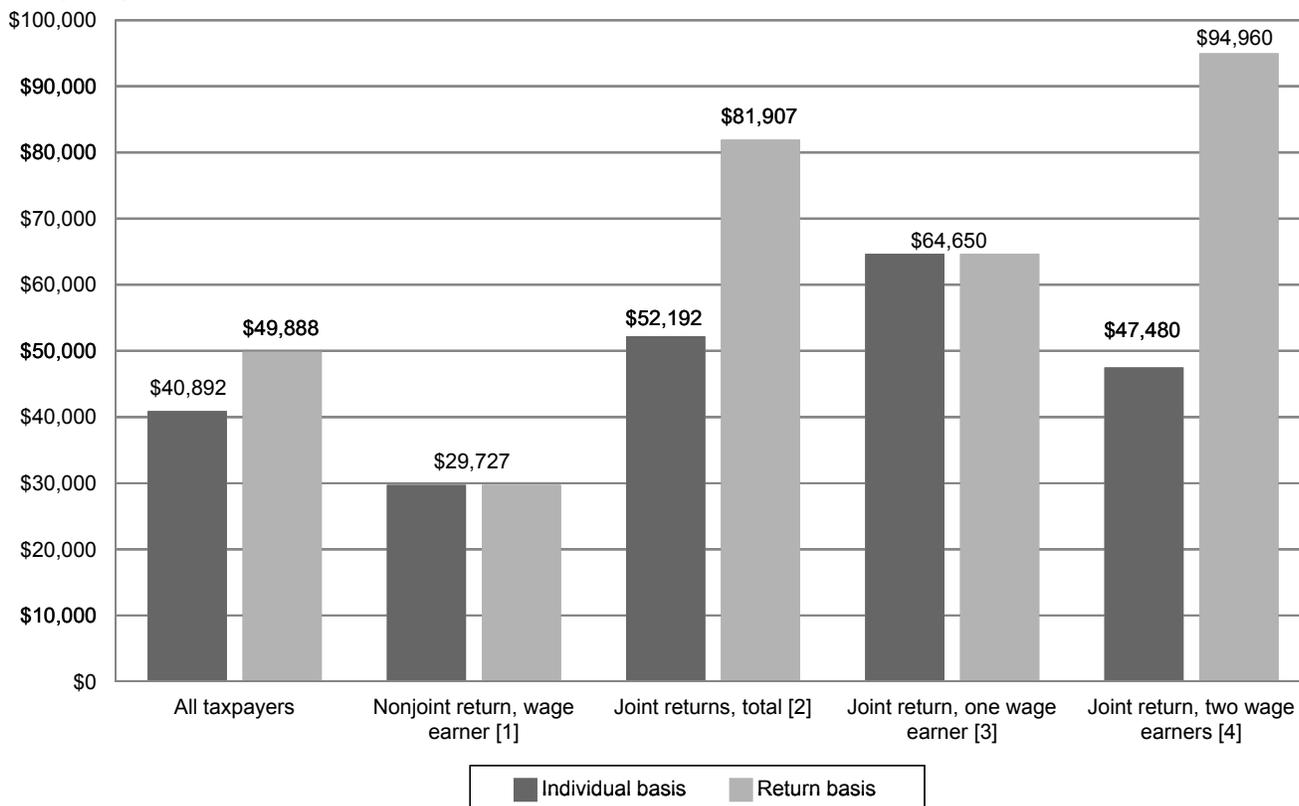
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Figure F

Average Wage Income, by Return and Earner Type, Tax Year 2010

Average wage income



- [1] Includes taxpayers filing single, married filing separately, head of household, or surviving spouse.
- [2] Includes all taxpayers filing jointly; returns with one wage earner and two wage earners.
- [3] Includes taxpayers filing jointly; one taxpayer reported W-2 wage income.
- [4] Includes taxpayers filing jointly; both taxpayers reported W-2 wage income.

Figure G

Joint Return Taxpayers with Wage Income, by Size of the Percentage Contribution of the Total Wage Amount, by Gender of Taxpayer, Tax Year 2010

[Money amounts are in thousands of dollars, and average amounts are in whole dollars]

Size of percentage contribution	Women			Men		
	Number of taxpayers	Wages	Average wages	Number of taxpayers	Wages	Average wages
	(1)	(2)	(3)	(4)	(5)	(6)
Total	30,987,441	1,124,168,050	36,278	36,999,245	2,424,166,124	65,519
Greater than 0 percent under 5 percent	1,552,013	3,843,113	2,476	522,038	673,784	1,291
5 percent under 25 percent	5,223,626	79,380,463	15,196	1,514,941	18,215,344	12,024
25 percent under 50 percent	10,088,979	366,764,730	36,353	5,646,667	209,493,003	37,100
50 percent under 75 percent	5,761,719	312,593,924	54,254	10,200,018	598,293,154	58,656
75 percent under 100 percent	2,038,958	126,614,102	62,097	6,781,631	626,350,058	92,360
100 percent	6,322,147	234,971,717	37,166	12,333,951	971,140,782	78,737

NOTE: Detail may not add to totals because of rounding.

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A Brief History of Taxpayers with W-2 Earnings, by Gender, 1969–2009

During the 4-decade period spanning from 1969 to 2009, the number of women with W-2 earnings increased by over 100 percent, from 32.3 million in 1969 to 67.3 million in 2009 (Figure H). As more women entered the workforce, their share of the total number of wage earners grew along with their total W-2 earnings. Women made up nearly half (49.3 percent) of all taxpayers with W-2 earnings in 2009, up from 38.4 percent in 1969. Earnings for women increased to 38.3 percent of the total wage amount in 2009, up from 22.7 percent in 1969. By comparison, the number of men with W-2 earnings increased 34 percent during this period. However, men made up a smaller portion of taxpayers with W-2 earnings in 2009 (50.7 percent) than in 1969 (61.6 percent).

Using 2009 as the base year, the average wage amount in constant dollars for all taxpayers in 1969 was \$34,263 (Figure I).⁵ Between 1969 and 2009, this figure steadily increased by at least

2 percent for each 10-year period, with the largest increase for all taxpayers (9.9 percent) between 1989 and 1999. Women saw about a 10-percent increase in average wages during the decades of 1969 to 1979 and 1999 to 2009, with a rise as high as 12.9 percent during the decades of 1979 to 1989 and 1989 to 1999. Men reported their highest percentage increase in average wages from 1989 to 1999 and their lowest percentage change was actually a decline of 1.6 percent between 1999 and 2009. Over the 40-year period, the average inflation-adjusted wage amount for women increased 54.7 percent, rising from \$20,202 in 1969 to \$31,251 in 2009. For men, the average inflation-adjusted wage amount increased 13.4 percent, from \$43,046 in 1969 to \$48,829 in 2009. On average, in 1969, women earned about 47 percent of what men earned. By 2009, the average wage amount for women had risen to 64 percent of the average wage amount for men.

Figure H

Taxpayers with Wage Income, by Gender of Taxpayer for Selected Tax Years 1969–2009

[Money amounts are in thousands of dollars, and average amounts are in whole dollars]

Tax year	All taxpayers			Women				Men			
	Number of taxpayers	Wages	Average wages	Number of taxpayers	Wages	Percent of total amount	Average wages	Number of taxpayers	Wages	Percent of total amount	Average wages
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1969	84,008,982	492,389,580	5,861	32,301,390	111,626,905	22.7	3,456	51,707,592	380,762,675	77.3	7,364
1979	102,417,741	1,212,059,280	11,834	43,317,220	325,616,596	26.9	7,517	59,100,521	886,442,684	73.1	14,999
1989	118,045,180	2,434,212,175	20,621	54,941,521	796,595,721	32.7	14,499	63,103,659	1,637,616,454	67.3	25,951
1999	131,393,926	4,001,270,558	30,452	64,113,488	1,409,410,760	35.2	21,983	67,280,438	2,591,859,798	64.8	38,523
2009	136,586,244	5,486,794,783	40,171	67,277,179	2,102,510,196	38.3	31,251	69,309,065	3,384,284,586	61.7	48,829

Figure I

Taxpayers with Wage Income in Constant Dollars, by Gender of Taxpayer for Selected Tax Years 1969–2009

[Money amounts are in thousands of dollars, and average amounts are in whole dollars]

Tax year	Wages			Average wages				Percentage change in average wages		
	All taxpayers	Women	Men	All taxpayers	Women	Men	Women as a percent of men	All taxpayers	Women	Men
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1969	2,878,359,219	652,536,821	2,225,822,398	34,263	20,202	43,046	46.9	N/A	N/A	N/A
1979	3,581,701,953	962,214,981	2,619,486,971	34,971	22,213	44,323	50.1	2.1	10.0	3.0
1989	4,211,520,785	1,378,219,808	2,833,300,977	35,677	25,085	44,899	55.9	2.0	12.9	1.3
1999	5,152,584,524	1,814,950,518	3,337,634,007	39,215	28,308	49,608	57.1	9.9	12.8	10.5
2009	5,486,794,783	2,102,510,196	3,384,284,586	40,171	31,251	48,829	64.0	2.4	10.4	-1.6

⁵ Inflation-adjusted constant dollars are based on the Consumer Price Index for all Urban Consumers (CPI-U) reported by the U.S. Department of Labor, Bureau of Labor Statistics. The Consumer Price Index approximates the buying patterns of typical urban consumers and is based on 2009 = 100 when 1969 CPI-U = 36.7; 1979 CPI-U = 72.6; 1989 CPI-U = 124.0; 1999 CPI-U = 166.6.

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but did not make a direct contribution will be discussed in the retirement plan indicator section of this report.

Individuals who made a direct retirement contribution were denoted by a code identifying the defined contribution type, on boxes 12a -12d of Form W-2, and the corresponding amount for each type. The following are the six main defined contribution plans⁶ used to identify an elective retirement contribution: 401(k), 403(b), 457(b), SIMPLE (Savings Incentive Match Plan for Employees),⁷ Roth 401(k), and Roth 403(b) plans. The 401(k), 403(b), 457(b), and SIMPLE plans are generally referred to as traditional 401(k)-type plans. For these particular plans, employees can defer a portion of their salary, pretax, to a retirement savings account, and both contributions and gains are tax exempt until withdrawn. Roth 401(k) and Roth 403(b) plans operate somewhat differently. Beginning in 2006, employers with 401(k) and 403(b) sponsored plans were able to create qualified retirement accounts where employees could make contributions using after-tax income. In an employer-sponsored Roth retirement plan, contributions are kept separate from pretax contributions to a traditional 401(k)-type plan. Withdrawals from a Roth-type plan are generally tax free, if the taxpayer meets the applicable distribution requirements.

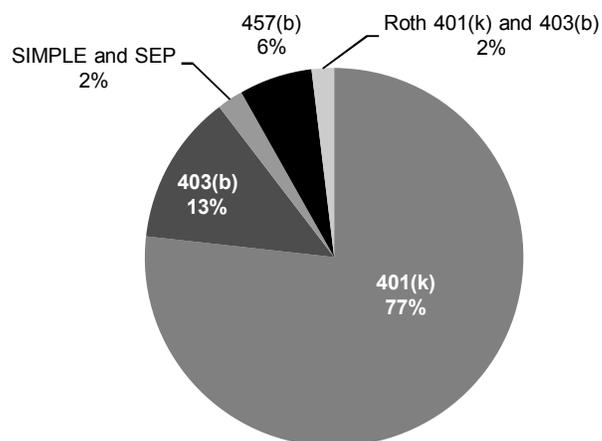
In Tax Year 2010, employee contributions to the primary employer-sponsored retirement plans, (401(k), 403(b), SIMPLE and SEP, 457(b), and Roth (401(k) and 403(b), amounted to \$209.2 billion (Figure J). The largest plan, in terms of contribution amount and number of participants, was the 401(k) plan. In 2010, about 77 percent (35.2 million) of all taxpayers who contributed to an employer-based plan did so to a 401(k) plan, contributing a total amount of \$160.6 billion (Figure K). The second largest plan, based on the contribution amount, was the 403(b) plan with \$26.8 billion in contributions, followed by 457(b) plans (\$13.1 billion in contributions), and SIMPLE and SEP plans (\$4.7 billion in contributions). The Roth 401(k) and 403(b) plans had total contributions of approximately \$4 billion in 2010, up 73 percent from \$2.3 billion in 2008. These two plans were the only retirement plans that experienced both a rise in total contributions and the number of participants from 2008 to 2010.

Taxpayers were generally more likely to contribute to a retirement plan, contribute greater percentages of their gross income, and save higher amounts as they aged (Figure L). In 2010, only about 12 percent of taxpayers under age 26 with W-2 earnings participated in a retirement plan. On average, taxpayers in this age category contributed both the lowest percentage of gross wages (4.2 percent) and average contributions (\$1,162). Taxpayers in the 55-under-60-age category exhibited the highest participation rate of any age group (44.4 percent). Although taxpayers in the 65-under-75-age category had a lower participation rate (24.3 percent), they contributed the highest percentage (8.9 percent of gross wages) and average amount (\$6,335) to a retirement plan compared to taxpayers in all other age categories.

On average, women contributed a higher percentage of their gross income to a retirement plan (7.0 percent) than men (6.3 percent), but they reported lower average contributions (women \$3,766; men \$5,293). Women in

Figure J

Share of Total Retirement Contributions by Plan Type, Tax Year 2010



NOTE: Percentages are based on an estimated total contribution amount of \$209.2 billion. 501(c)(18)(D) plans have been omitted from this chart. In Tax Year 2010, there were \$53.3 million of contributions to 501(c)(18)(D) plans.

⁶ 501(c)(18)(D) plans have also been included. However, because of the small number of participants they have been omitted from the discussion. In TY2010, there were approximately 26 thousand employees who made a total \$53 million in 501(c)(18)(D) contributions.

⁷ For simplicity, 408(k)(6) Simplified Employee Pension (SEP) plans have been combined with 408(p) SIMPLEs. Both plans are for small business employees. For TY2010, there were 87 thousand employees with a SEP plan and 1.2 million employees with a SIMPLE. Individuals within these plans had total contribution amounts of \$370 million and \$4.3 billion, respectively.

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Figure K

Taxpayers with Elective Retirement Contributions, by Contribution Plan Type, Tax Years 2008–2010

[Money amounts are in thousands of dollars]

Contribution plan type	Number of taxpayers				Contribution amount			
	2008	2009	2010	Percentage change from 2008–2010	2008	2009	2010	Percentage change from 2008–2010
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total [1]	48,864,676	46,138,427	45,785,836	-6.3	219,087,678	205,707,194	209,214,507	-4.5
401(k) elective deferrals	37,846,216	35,581,883	35,226,098	-6.9	170,334,754	158,062,556	160,567,747	-5.7
403(b) elective deferrals	6,548,793	6,093,096	6,106,328	-6.8	27,985,842	26,654,540	26,847,329	-4.1
408(k)(6) SEP elective deferrals	118,460	100,401	87,041	-26.5	495,672	479,268	369,500	-25.5
457(b) elective deferrals and employer contributions	3,259,583	3,236,594	3,173,647	-2.6	13,097,677	13,087,921	13,106,687	0.1
501(c)(18)(D) elective deferrals	25,699	24,966	23,712	-7.7	59,571	35,221	53,320	-10.5
408(p) SIMPLE employee salary reduction contributions	1,448,736	1,305,630	1,249,157	-13.8	4,818,006	4,349,799	4,294,642	-10.9
Designated Roth 401(k) contributions	685,344	832,419	1,113,734	62.5	2,113,080	2,787,168	3,632,234	71.9
Designated Roth 403(b) contributions	51,694	83,408	102,469	98.2	183,076	250,722	343,049	87.4

[1] Number of taxpayers from the types does not add up to total because taxpayers can have more than one type.

Figure L

Taxpayers with Elective Retirement Contributions, by Age and Gender of Taxpayer, Tax Year 2010

[Average amounts are in whole dollars]

Age of taxpayer	All taxpayers			Women			Men		
	Participation rate (percentage)	Contributions as a percentage of Medicare wages [1]	Average contributions	Participation rate (percentage)	Contributions as a percentage of Medicare wages [1]	Average contributions	Participation rate (percentage)	Contributions as a percentage of Medicare wages [1]	Average contributions
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total	33.5	6.5	4,569	32.3	7.0	3,766	34.6	6.3	5,293
Under 26	11.8	4.2	1,162	10.5	3.8	951	13.1	4.4	1,328
26 under 35	31.6	5.2	2,761	31.4	5.3	2,452	31.7	5.2	3,047
35 under 45	39.0	5.8	4,271	37.1	6.0	3,491	40.9	5.6	4,944
45 under 55	42.4	6.5	5,367	40.2	7.3	4,436	44.6	6.1	6,207
55 under 60	44.4	7.9	6,208	42.9	8.4	4,970	45.9	7.6	7,399
60 under 65	38.8	8.5	6,321	38.2	9.6	5,010	39.5	8.0	7,581
65 under 75	24.3	8.9	6,335	24.9	10.9	4,766	23.8	8.2	7,720
75 and over	10.6	8.7	4,571	12.3	11.0	3,565	9.4	7.8	5,449

[1] Medicare wages and tips (Form W-2, box 5) is used as a proxy for gross earnings.

the age 60-under-65 category contributed the highest average amount (\$5,010) to a retirement plan, compared to women in all other age categories and to men under age 35. Men in the age 65-under-75 category reported the highest average contribution amount (\$7,720), compared to men in all other age categories and to women in all age categories in 2010.

Taxpayers filing jointly participated in a retirement plan at higher levels, and on average, contributed

higher amounts than taxpayers filing nonjoint tax returns (Figure M). About 42 percent (41.7 percent) of taxpayers filing joint returns contributed, on average, \$5,357 to a retirement plan. In comparison, about a quarter (25.4 percent) of all wage earners filing nonjoint returns contributed, on average, \$3,291 to a retirement plan in 2010.

In 2010, taxpayers filing joint returns with one wage earner participated in retirement plans at lower levels (37.4 percent) than those filing joint returns with two

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Figure M

Taxpayers with Elective Retirement Contributions, by Size of Adjusted Gross Income and Return and Earner Type, Tax Year 2010

[Average amounts are in whole dollars]

Size of adjusted gross income	All taxpayers		Nonjoint return, wage earner [1]		Joint returns, total [2]	
	Participation rate (percentage)	Average contributions	Participation rate (percentage)	Average contributions	Participation rate (percentage)	Average contributions
	(1)	(2)	(3)	(4)	(5)	(6)
Total	33.5	4,569	25.4	3,291	41.7	5,357
No adjusted gross income	13.6	4,928	8.0	3,483	19.1	5,520
\$1 under \$5,000	2.5	798	2.3	591	6.9	2,243
\$5,000 under \$10,000	4.4	401	4.3	341	5.0	993
\$10,000 under \$15,000	7.2	479	7.4	439	6.2	793
\$15,000 under \$20,000	12.9	752	13.1	711	11.9	958
\$20,000 under \$25,000	19.3	1,034	21.3	1,006	12.7	1,191
\$25,000 under \$30,000	24.7	1,190	27.5	1,171	17.4	1,270
\$30,000 under \$40,000	30.2	1,675	34.8	1,717	21.7	1,549
\$40,000 under \$50,000	35.7	2,274	43.7	2,483	26.4	1,875
\$50,000 under \$75,000	42.5	3,199	52.4	4,146	37.4	2,516
\$75,000 under \$100,000	50.2	4,285	60.4	6,416	48.1	3,732
\$100,000 under \$200,000	57.9	6,887	65.7	9,880	57.1	6,546
\$200,000 under \$500,000	63.5	12,620	61.9	14,537	63.6	12,471
\$500,000 under \$1,000,000	61.6	15,971	56.0	16,993	62.2	15,885
\$1,000,000 under \$1,500,000	59.5	16,210	53.4	15,782	60.2	16,249
\$1,500,000 under \$2,000,000	59.8	15,989	53.6	15,640	60.5	16,024
\$2,000,000 under \$5,000,000	57.5	15,889	49.3	15,875	58.5	15,891
\$5,000,000 under \$10,000,000	56.3	16,278	52.3	16,442	56.9	16,255
\$10,000,000 and over	55.1	16,364	48.6	16,442	56.2	16,353

Size of adjusted gross income	Joint return, one wage earner [3]		Joint return, two wage earners [4]	
	Participation rate (percentage)	Average contributions	Participation rate (percentage)	Average contributions
	(7)	(8)	(9)	(10)
Total	37.4	6,122	43.3	5,107
No adjusted gross income	18.6	5,330	19.8	5,730
\$1 under \$5,000	6.0	2,120	10.3	2,501
\$5,000 under \$10,000	5.2	906	4.4	1,227
\$10,000 under \$15,000	6.8	797	5.1	786
\$15,000 under \$20,000	13.1	834	9.7	1,257
\$20,000 under \$25,000	16.1	1,228	8.0	1,087
\$25,000 under \$30,000	22.6	1,420	11.6	953
\$30,000 under \$40,000	26.9	1,822	18.0	1,250
\$40,000 under \$50,000	33.6	2,326	22.9	1,545
\$50,000 under \$75,000	42.4	3,455	35.8	2,154
\$75,000 under \$100,000	51.4	5,641	47.3	3,258
\$100,000 under \$200,000	58.0	8,908	57.0	6,096
\$200,000 under \$500,000	61.8	14,413	64.1	11,877
\$500,000 under \$1,000,000	63.7	16,556	61.2	15,461
\$1,000,000 under \$1,500,000	63.4	16,713	57.8	15,871
\$1,500,000 under \$2,000,000	63.4	16,666	58.0	15,431
\$2,000,000 under \$5,000,000	62.9	16,699	54.2	14,948
\$5,000,000 under \$10,000,000	60.5	16,938	51.9	15,160
\$10,000,000 and over	58.9	17,019	51.8	15,103

[1] Includes taxpayers filing single, married filing separately, head of household, or surviving spouse.

[2] Includes all taxpayers filing jointly; returns with one wage earner and two wage earners.

[3] Includes taxpayers filing jointly; one taxpayer reported W-2 wage income.

[4] Includes taxpayers filing jointly; both taxpayers reported W-2 wage income.

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wage earners (43.3 percent). However, the average contribution for taxpayers filing joint tax returns with one wage earner (\$6,122) was approximately 20 percent higher than the average amount for joint filers with two wage earners (\$5,107).

In general, taxpayers made higher retirement contributions as their income rose, regardless of the type of return (joint or nonjoint) or number of wage earners (one or two). Taxpayer participation in a retirement plan peaked at 63.5 percent for those in the \$200,000-under-\$500,000-AGI class, and declined for taxpayers in higher income classes.

Taxpayers with an AGI of \$1 under \$5,000 reported the lowest levels of participation (2.5 percent). In comparison, 13.6 percent of all taxpayers with “no adjusted gross income” participated in a retirement plan. Taxpayers in this AGI class reported higher average contributions because some had relatively high wages, but their income was offset by high losses. The \$4,928 average contribution for taxpayers in this income class was slightly above the average amount for those in the \$75,000-under-\$100,000 category. About 55 percent of taxpayers with an AGI of \$10 million or more participated in a retirement plan. Taxpayers in this income class reported the highest average contributions (\$16,364) for the year.

Because the W-2 can be used to allocate individual earnings for married couples filing joint tax returns, taxpayers can be categorized by their share of income as a percentage of the total wage income reported on the W-2s (Figure N).⁸ For Tax Year 2010, almost 20 million taxpayers filing a joint tax return were the higher earner on their individual tax return and reported \$118.3 billion in elective retirement plan contributions. In comparison, 8.4 million taxpayers were the lower earner on their tax return and reported \$33.5 billion in elective contributions. Taxpayers who were the lower earner on their joint tax return contributed a greater percentage of their gross income to a retirement plan (8.7 percent), compared to the high earner (6.3 percent). However, on average, their total retirement contribution was less (\$3,989) than the high earner’s average contribution (\$5,933).

Taxpayers who made a retirement contribution of \$1,000 under \$2,500 in 2010 made up the largest group of taxpayers (Figure O). This group included 26.4 percent of all taxpayers who made an elective contribution to an

employer-sponsored plan. Taking the top three categories in terms of the number of taxpayers, the majority of individuals (58.5 percent) contributed between \$500 and under \$5,000 to a retirement plan in 2010. Contributions made by taxpayers in the \$15,500-or-more category made up about a third (or \$70.3 million) of all elective contributions (\$209.2 billion) in 2010. However, they represented only 8.1 percent of all taxpayers who contributed to a retirement plan during the year. The second highest category, with 15.4 percent of the total contribution amount, was for taxpayers who contributed \$2,500 and under \$5,000.

Maximum Elective Retirement Contributions

Many taxpayers made the maximum contribution to a retirement plan in 2010, regardless of income class. By law, annual retirement contributions are limited depending on the participant’s age and retirement plan type.⁹ For Tax Year 2010, the annual contribution was generally limited to \$16,500; however, individuals age 50 or older were allowed to make additional or “catch-up” contributions of \$5,500. For this study, individuals were identified as making the maximum contribution if they made the maximum contribution amount for their specific plan type or if their contribution was 100 percent of their total wage income.

In 2010, some 4 million individuals, or 2.9 percent of all taxpayers with a W-2, made the maximum allowable contribution to their retirement plan (Figure P). As a whole, taxpayers contributing the maximum contributed about 9 percent of their gross wage income to a retirement plan in 2010. In general, as taxpayers got older, they were more inclined to contribute the maximum amount to an employer-sponsored plan. Of all taxpayers with W-2 earnings, 6.4 percent of taxpayers age 55 under 60 made the maximum retirement contribution in 2010. Men in the age 55-under-60-age category had the highest participation rate (8.6 percent), compared to women in all age categories and men in all other age categories. While the percentage of gross income used for retirement contributions falls for taxpayers age 60 or over, on average, older individuals made larger contributions. Among all taxpayers, individuals in the 65-under-75-age category set aside the highest maximum amount (\$20,270) of wage income for retirement. When comparing the average

⁸ High earners from married filing joint returns were identified as those with the highest share of total wage income (greater than 50 percent). For joint returns where total wage income is split evenly between spouses, the primary taxpayer was designated as the high earner.

⁹ See IRS, Publication 525, for specific plan limits.

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Figure N

Taxpayers filing Joint Returns, with Elective Retirement Contributions, by Size of Adjusted Gross Income, Tax Year 2010

[Money amounts are in thousands of dollars, and average amounts are in whole dollars]

Size of adjusted gross income	High earner [1]				Low earner [2]			
	Number of taxpayers	Contribution amount	Contributions as a percentage of Medicare wages [3]	Average contributions	Number of taxpayers	Contribution amount	Contributions as a percentage of Medicare wages [3]	Average contributions
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	19,941,171	118,305,134	6.3	5,933	8,393,968	33,479,535	8.7	3,989
No adjusted gross income	53,093	291,314	7.2	5,487	10,539	59,915	13.2	5,685
\$1 under \$5,000	18,040	41,214	10.5	2,285	* 2,700	* 5,314	* 7.4	* 1,968
\$5,000 under \$10,000	32,296	32,865	6.3	1,018	* 2,102	* 1,295	* 4.1	* 616
\$10,000 under \$15,000	67,806	54,654	4.9	806	6,574	4,365	15.1	664
\$15,000 under \$20,000	181,503	165,812	5.0	914	17,733	24,982	11.0	1,409
\$20,000 under \$25,000	229,272	280,489	5.4	1,223	14,997	10,409	5.7	694
\$25,000 under \$30,000	341,098	450,293	5.5	1,320	28,536	19,268	5.4	675
\$30,000 under \$40,000	883,480	1,462,098	5.5	1,655	140,934	124,964	7.0	887
\$40,000 under \$50,000	1,114,508	2,269,279	5.6	2,036	219,609	232,533	6.4	1,059
\$50,000 under \$75,000	3,827,289	11,236,540	6.1	2,936	1,360,975	1,817,041	5.6	1,335
\$75,000 under \$100,000	4,163,870	18,390,346	7.0	4,417	1,964,115	4,476,243	6.9	2,279
\$100,000 under \$200,000	6,808,896	51,996,866	7.7	7,637	3,607,812	16,186,546	8.8	4,487
\$200,000 under \$500,000	1,837,341	25,225,930	6.5	13,730	890,136	8,787,910	11.5	9,873
\$500,000 under \$1,000,000	260,928	4,364,946	3.5	16,729	94,335	1,278,364	10.7	13,551
\$1,000,000 under \$1,500,000	57,150	964,174	2.3	16,871	17,140	242,971	9.1	14,176
\$1,500,000 under \$2,000,000	22,677	378,782	1.8	16,703	6,431	87,655	8.2	13,630
\$2,000,000 under \$5,000,000	30,696	510,055	1.1	16,616	7,273	93,297	7.6	12,828
\$5,000,000 under \$10,000,000	7,001	117,770	0.6	16,822	1,302	17,209	5.2	13,217
\$10,000,000 and over	4,226	71,709	0.3	16,969	725	9,254	4.4	12,764

*Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] High earners from married filing joint returns were identified as those with the highest share of total wage income (greater than 50 percent). For joint returns where total wage income is split evenly between the spouses, the primary taxpayer was designated as the high earner.

[2] Low earners from married filing joint returns were identified as those with the lowest share of total wage income (less than 50 percent). For joint returns where total wage income is split evenly between the spouses, the secondary taxpayer was designated as the low earner.

[3] Medicare wages and tips (Form W-2, box 5) is used as a proxy for gross earnings.

NOTE: Includes taxpayers on joint returns with one wage earner.

elective contribution with the amount for those contributing the maximum, the average maximum contribution deferred to an employer-sponsored plan was nearly four times the contribution amount for the average taxpayer (Figure Q). Among all taxpayers and return types (joint or nonjoint), the highest average maximum contribution amount, for an individual, was \$18,227.

Retirement Plan Indicator

As stated earlier, a subset of the 65.8 million individuals who participated in an employer-sponsored retirement plan did not make a direct contribution to a plan themselves. These individuals were identified as having no elective deferral amounts in boxes 12a–12d on their W-2,

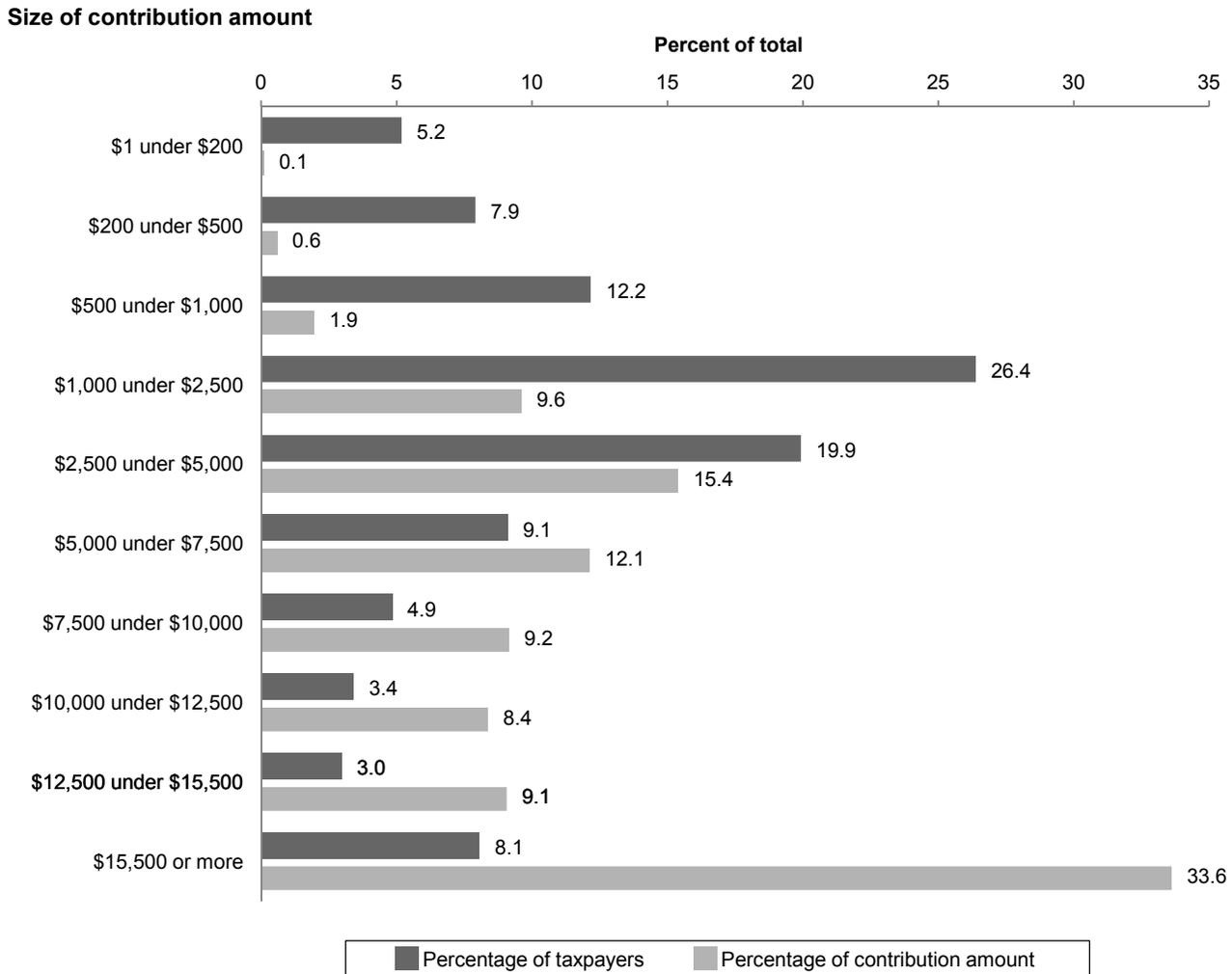
but the retirement plan box, in box 13, was checked. In 2010, there were 20 million such individuals, accounting for 14.6 percent of the total number of taxpayers with W-2 earnings (Figure R). For up to \$50,000 in wages, there were increasing numbers of taxpayers—from each wage income class—that participated in a plan but did not contribute. There were 0.9 million employees, or 5.9 percent of the total, in the \$1-under-\$5,000 category that had the indicator and no contributions. This percentage steadily rose to its highest point (20.2 percent) in the \$40,000-under-\$50,000-wage category. This percentage fell to 16.2 percent for individuals with incomes of \$75,000 under \$100,000. For wage incomes above this level, the percentage of the total number of taxpayers

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Figure 0

Percentage of Taxpayers with Elective Retirement Contributions and Percentage of Total Contribution Amount, by Size of Contribution Amount, Tax Year 2010



NOTE: Percentages are based on 45.8 million taxpayers making \$209.2 billion in elective retirement contributions. Detail may not add to 100 percent because of rounding.

who participated but did not contribute was lower—with participation varying between 10.1 percent (wages between \$200,000 and \$500,000) and 13.7 percent (wages of \$10 million or more). As wage income rose to levels up to \$1 million, an increasing share of the working population was covered by some form of an employer-sponsored retirement plan. Only 9.3 percent of employees in the \$1-under-\$5,000-wage category had coverage, while 86.9 percent of employees making \$500,000 under \$1,000,000 had coverage. Above that wage level, coverage decreased

to 81.4 percent for those taxpayers with W-2 wage income of \$10 million or more.

The number of individuals covered by an employer-based retirement plan increased with age, up to age 60 (Figure S). The total percentage of those covered in the under-26-age category was 20.8 percent in 2010 and increased to 61.6 percent for taxpayers in the age 55-under-60 category. Taxpayers with the retirement plan indicator also rose with age (up to age 65), going from 9 percent for the under 26 category to 18 percent for the 60-under-65

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Figure P

Taxpayers with the Maximum Elective Retirement Contributions, by Age and Gender of Taxpayer, Tax Year 2010

[Average amounts are in whole dollars]

Age of taxpayer	All taxpayers			Women			Men		
	Participation rate (percentage)	Contributions as a percentage of Medicare wages [1]	Average contributions	Participation rate (percentage)	Contributions as a percentage of Medicare wages [1]	Average contributions	Participation rate (percentage)	Contributions as a percentage of Medicare wages [1]	Average contributions
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total	2.9	9.0	17,524	2.0	12.8	17,348	3.8	7.8	17,614
Under 26	0.1	7.5	8,730	[2]	16.8	7,433	0.1	6.5	9,167
26 under 35	0.8	8.5	14,137	0.6	12.0	14,949	1.0	7.2	13,657
35 under 45	2.7	7.4	15,840	1.8	10.2	15,891	3.6	6.5	15,815
45 under 55	4.7	8.3	17,276	3.3	11.7	17,227	6.1	7.2	17,302
55 under 60	6.4	10.5	18,847	4.3	15.1	18,395	8.6	9.1	19,079
60 under 65	5.9	11.2	19,231	4.1	17.6	18,634	7.7	9.5	19,544
65 under 75	3.8	10.7	20,270	2.4	17.5	19,859	4.9	9.2	20,440
75 and over	1.2	9.8	19,864	0.9	17.1	17,883	1.4	8.5	20,703

[1] Medicare wages and tips (Form W-2, box 5) is used as a proxy for gross earnings.

[2] Less than 0.05 percent.

NOTE: Maximum elective retirement contributions vary depending on participant age and the corresponding contribution type. See IRS Publication 525 for specific dollar limits. Taxpayers whose contribution amount equaled 100 percent of their wage income, were also designated as making a maximum elective contribution.

category, although this increase is less pronounced than the one for those covered by either elective contributions or the indicator.

A majority of married filing jointly taxpayers participated in some form of a retirement plan (Figure T). The participation rate in 2010 for individuals filing joint returns with one wage earner and those filing joint returns with two wage earners was 53.3 percent and 60.1 percent, respectively. For nonjoint wage earners, 38.1 percent of the total number of taxpayers participated in a retirement plan either by the presence of the indicator or through direct contributions. Looking exclusively at two wage earners filing jointly, Figure T only shows the number of individuals either with the elective contributions or the retirement plan indicator. It does not show the extent to which the two wage earners were covered by a plan as a single unit or on a tax-return basis. Figure U however, does show retirement plan coverage based on the activity of at least one spouse on a married filing joint return. For Tax Year 2010, 38.8 million or 78.6 percent of the total 49.3 million joint return two wage earners had some form of retirement plan participation through at least one spouse. The remaining joint returns with two wage earners, 10.6 million taxpayers, had no form of retirement plan participation through elective contributions or the presence of the retirement plan indicator.

Explanation of Selected Terms

Defined benefit plans—Commonly known as traditional pension plans, defined benefit plans are employer-sponsored retirement plans that promise individuals a specified benefit amount paid upon retirement. The promised benefit can be based on an exact dollar amount or determined by a formula that takes into account an employee's income, age, and/or their length of service.

Defined contribution plans—Under these plans, benefits are paid out of contributions made to an individual's retirement savings account by the employee and/or employer, and any investment gains/losses within the account. Employer contributions are either through matching contributions or contributions made on behalf of the employee. The types of defined contribution plans discussed in this article are:

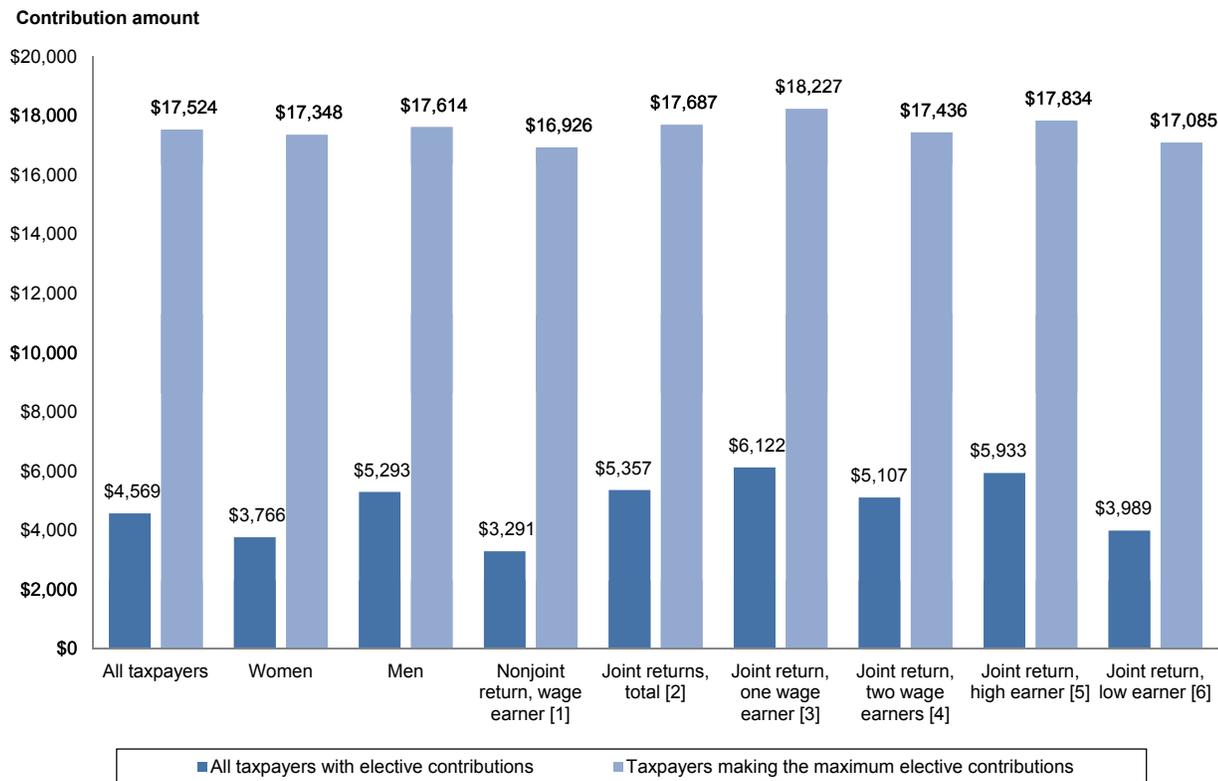
- 401(k) plans, which are common among private-sector employees, but can include government workers, such as the Federal Government Thrift Savings Plan
- 403(b) plans, which are common among employees that work for public education institutions and non-profit organizations
- 457(b) plans, which are common among employees within the State or local government sector

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Figure Q

Average Elective Retirement Contribution Amounts, Tax Year 2010



[1] Includes taxpayers filing single, married filing separately, head of household, or surviving spouse.
 [2] Includes all taxpayers filing jointly; returns with one wage earner and two wage earners.
 [3] Includes taxpayers filing jointly; one taxpayer reported W-2 wage income.
 [4] Includes taxpayers filing jointly; both taxpayers reported W-2 wage income.
 [5] Includes taxpayers filing jointly with the highest share of total wage income (greater than 50 percent). For joint returns where total wage income is split evenly between the spouses, the primary taxpayer was designated as the high earner.
 [6] Includes taxpayers filing jointly with the lowest share of total wage income (less than 50 percent). For joint returns where total wage income is split evenly between the spouses, the secondary taxpayer was designated as the low earner.

- 501(c)(18)(D) plans
- Savings Incentive Match Plan for Employees (SIMPLEs), which are only for small business employees
- 408(k)(6) Simplified Employee Pension (SEP) plans, which are only for small business employees
- Roth 401(k) and Roth 403(b) plans began in 2006 and include retirement accounts where employees contribute part of their income on an after-tax basis. These plans must be kept separate from before-tax contributions to a traditional 401(k) or 403(b) account, but withdrawals are generally tax free upon meeting the necessary distribution requirements.

Elective retirement contributions—For qualified plans, employees can elect to contribute a portion of their income to an employer-sponsored retirement account. Elective retirement contributions, more commonly known as elective deferrals, typically refer to plans where an employee can defer part of their salary to a retirement account before tax; however for this study, elective retirement contributions include both before-and-after-tax plans.

Maximum contributions—There are limitations on how much an employee can contribute to a qualified retirement plan, depending on the plan type. Individuals were denoted as making the maximum contribution if their contribution was equal to the specified plan limit or if their contribution amount was equal to 100 percent of their total W-2 wage income.

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Figure R

Taxpayers with Wage Income, Presence of Elective Retirement Contributions and/or Retirement Plan Indicator, by Size of Wage Income, Tax Year 2010

Size of wage income	Number of taxpayers	Taxpayers with elective retirement contributions or retirement plan indicator checked					
		Number of taxpayers	Percent of total	Taxpayers with elective retirement contributions		Taxpayers with retirement plan indicator only	
				Number of taxpayers	Percent of total	Number of taxpayers	Percent of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	136,789,811	65,808,798	48.1	45,785,836	33.5	20,022,964	14.6
\$1 under \$5,000	14,787,390	1,374,248	9.3	508,177	3.4	866,071	5.9
\$5,000 under \$10,000	12,745,608	1,908,066	15.0	867,381	6.8	1,040,685	8.2
\$10,000 under \$15,000	12,070,397	2,764,631	22.9	1,299,725	10.8	1,464,906	12.1
\$15,000 under \$20,000	11,582,668	3,648,562	31.5	2,007,100	17.3	1,641,462	14.2
\$20,000 under \$25,000	10,824,752	4,514,883	41.7	2,803,304	25.9	1,711,579	15.8
\$25,000 under \$30,000	9,941,671	4,973,732	50.0	3,275,115	32.9	1,698,617	17.1
\$30,000 under \$40,000	17,541,520	10,356,529	59.0	7,083,214	40.4	3,273,315	18.7
\$40,000 under \$50,000	13,105,924	9,014,802	68.8	6,365,372	48.6	2,649,430	20.2
\$50,000 under \$75,000	18,397,684	14,055,437	76.4	10,522,762	57.2	3,532,675	19.2
\$75,000 under \$100,000	7,574,561	6,282,973	82.9	5,058,703	66.8	1,224,270	16.2
\$100,000 under \$200,000	6,427,843	5,396,217	84.0	4,660,772	72.5	735,445	11.4
\$200,000 under \$500,000	1,478,625	1,250,230	84.6	1,101,263	74.5	148,967	10.1
\$500,000 under \$1,000,000	222,523	193,435	86.9	167,320	75.2	26,115	11.7
\$1,000,000 under \$1,500,000	43,167	36,944	85.6	32,487	75.3	4,457	10.3
\$1,500,000 under \$2,000,000	16,712	14,210	85.0	12,390	74.1	1,820	10.9
\$2,000,000 under \$5,000,000	22,098	18,375	83.2	16,063	72.7	2,312	10.5
\$5,000,000 under \$10,000,000	4,586	3,831	83.5	3,278	71.5	553	12.1
\$10,000,000 and over	2,080	1,693	81.4	1,408	67.7	285	13.7

Figure S

Taxpayers with Wage Income, Presence of Elective Retirement Contributions and/or Retirement Plan Indicator, by Age of Taxpayer, Tax Year 2010

Age of taxpayer	Number of taxpayers	Taxpayers with elective retirement contributions or retirement plan indicator checked					
		Number of taxpayers	Percent of total	Taxpayers with elective retirement contributions		Taxpayers with retirement plan indicator only	
				Number of taxpayers	Percent of total	Number of taxpayers	Percent of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	136,789,811	65,808,798	48.1	45,785,836	33.5	20,022,964	14.6
Under 26	22,330,520	4,642,485	20.8	2,636,770	11.8	2,005,715	9.0
26 under 35	27,120,176	12,387,352	45.7	8,556,671	31.6	3,830,681	14.1
35 under 45	28,765,204	15,681,233	54.5	11,232,486	39.0	4,448,747	15.5
45 under 55	30,335,303	17,878,493	58.9	12,864,308	42.4	5,014,185	16.5
55 under 60	12,598,809	7,755,696	61.6	5,593,379	44.4	2,162,317	17.2
60 under 65	8,746,945	4,967,551	56.8	3,396,706	38.8	1,570,845	18.0
65 under 75	5,661,878	2,228,059	39.4	1,375,100	24.3	852,959	15.1
75 and over	1,230,976	267,930	21.8	130,417	10.6	137,513	11.2

Wage Income and Elective Retirement Contributions from Form W-2, 2008–2010

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Figure T

Taxpayers with Wage Income, Presence of Elective Retirement Contributions and/or Retirement Plan Indicator, by Return and Earner Type, Tax Year 2010

Return and earner type	Number of taxpayers	Taxpayers with elective retirement contributions or retirement plan indicator checked					
		Number of taxpayers	Percent of total	Taxpayers with elective retirement contributions		Taxpayers with retirement plan indicator only	
				Number of taxpayers	Percent of total	Number of taxpayers	Percent of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	136,789,811	65,808,798	48.1	45,785,836	33.5	20,022,962	14.6
Nonjoint return, wage earner [1]	68,803,124	26,221,996	38.1	17,450,697	25.4	8,771,299	12.7
Joint returns, total [2]	67,986,687	39,586,803	58.2	28,335,139	41.7	11,251,664	16.5
Joint return, one wage earner [3]	18,656,098	9,943,530	53.3	6,974,142	37.4	2,969,388	15.9
Joint return, two wage earners [4]	49,330,589	29,643,273	60.1	21,360,997	43.3	8,282,276	16.8

[1] Includes taxpayers filing single, married filing separately, head of household, or surviving spouse.

[2] Includes all taxpayers filing jointly; returns with one wage earner and two wage earners.

[3] Includes taxpayers filing jointly; one taxpayer reported W-2 wage income.

[4] Includes taxpayers filing jointly; both taxpayers reported W-2 wage income.

Figure U

Joint Return and Two Wage Earner Taxpayers, by Spousal Presence of Elective Retirement Contributions and/or Presence of Retirement Plan Indicator, Tax Year 2010

Spousal presence of elective retirement contributions and/or retirement plan indicator	Number of taxpayers	Percent of total
Total	49,330,589	100.0
Neither elective retirement contributions nor retirement plan indicator	10,565,518	21.4
At least one spouse has elective retirement contributions or retirement plan indicator	38,765,070	78.6

Catch-up contributions—Employees 50 or older by the end of the calendar year are allowed to make additional, or “catch-up,” contributions to qualified plans. Depending on the plan type, limitations apply on the amount of additional contributions that can be made.

Data Sources and Limitations

The data presented in this article are based on information collected from matched samples of Form 1040, *U.S. Individual Income Tax Return*; and Form W-2, *Wage and Tax Statement*, for Tax Years 2008 through 2010. Data from individual income tax returns (Form 1040) are based on a stratified probability sample. For a general description of the sampling procedures and data limitations of Statistics of Income tabulations, see *Statistics of Income—2008, Individual Income Tax Returns*, *Statistics of Income—2009, Individual Income Tax Returns*, and *Statistics of Income—2010, Individual Income Tax Returns*. Information on wages and retirement

contributions are based on Forms W-2 attached to the sampled individual tax return. The gender and age of a taxpayer were derived from the individual income tax return. This information was obtained by matching the primary and secondary Social Security numbers on the individual income tax return to information from the Social Security Administration (SSA). Detail on the type of retirement plan was transcribed from Form W-2, box 12, and compiled on an individual taxpayer basis.

Additional Tabular Data on Tax Stats Website

For additional Form W-2 data, see the Individual section of the Tax Stats Web pages: www.irs.gov/taxstats/index.html. This site includes a summary and percentiles of selected items on Form W-2, tabulations by the size of adjusted gross income and multiples of the Social Security Administration’s Old-Age, Survivors, and Disability Insurance (OASDI) wage limit, tables by the retirement plan indicator, as well as links to past studies.

Wage Income and Elective Retirement Contributions from Form W-2, 2008–2010

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