

Sample article for organizations to use in reaching employees and others

Customize and provide the following helpful retirement savings information in your communication vehicles.

Get the facts about automatic enrollment in your employer's retirement plan

Some employers may automatically enroll you in their company's retirement plan when you meet the plan's eligibility requirements. So, how does automatic enrollment affect you? Here are some general facts about automatic enrollment and things you should consider:

- Retirement plans that allow employees to contribute to the plan from their wages, such as 401(k) plans, may automatically enroll employees.
- If you're automatically enrolled in your company's plan, your employer can deduct a certain amount (stated in the plan document) from your wages and contribute that amount to your retirement plan account.
- Before any amounts are deducted from your wages, you have the ability to elect not to participate in the plan or contribute a different amount.
- Even if you're automatically enrolled, you may want to increase the amount you contribute to the plan because your plan's default automatic enrollment contribution amount may not provide you with enough retirement savings.
- Depending on your employer's plan, your employer may also contribute to your retirement plan account if you are automatically enrolled. You should consider this before deciding not to participate in the plan or decreasing your contribution amount.
- Your employer's plan may also give you an option to withdraw your money within 90 days of the date that the first automatic contribution was made to your retirement plan account.
- Some plans may also have an automatic contribution increase feature, which over time increases your automatic contribution amount. You should review your plan document or ask your employer if your plan has this feature.
- Many plans invest the automatically contributed amount in the plan's qualified default investment alternative. In these plans, you have the right to review your plan's investment options, consult your advisor and choose how amounts in your retirement plan account are invested.

Before making a decision, ask your employer for more information about your company's retirement plan.

NOTE TO EDITOR: Below are links to helpful retirement plans information on IRS.gov:

- [Retirement Topics – Automatic Enrollment](#) – information on the different types of automatic enrollment (contribution) arrangements.
- [Retirement Plans FAQs Regarding Automatic Contribution Arrangements \(Automatic Enrollment Arrangements\)](#) – questions and answers on the types of automatic enrollment

arrangements, notices for employees and when you can withdraw any automatically contributed amounts from the plan.

- [Publication 560](#), *Retirement Plans for Small Business (SEP, SIMPLE, and Qualified Plans)* – explains several types of automatic contribution arrangements found in 401(k) plans and when employers must also contribute to the plan for an automatically enrolled employee.

On Twitter? Send these Tweets:

- Learn about automatic enrollment in #retirement plans <http://go.usa.gov/jDrA> #IRS
- Find out when you have to take money out of your #IRA or #retirement plan <http://go.usa.gov/jDg5> #IRS