

ICI VIEWPOINTS

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In Case You Missed It: “On Retirement Policy, Don't Mess with Success”

In an [op-ed](#) for InvestmentNews, ICI President and CEO Paul Schott Stevens explains the importance of preserving incentives that help Americans save for retirement. An excerpt:

America's fiscal challenges have led some to contemplate an alarming course reversal on the policies that help ensure retirement security for working Americans. In the hunt for revenue, Washington could target the tax deferral on compensation Americans set aside for retirement.

A recent [story](#) in the New York Times reflected that viewpoint, musing: “The money that the government spends to encourage Americans to save for retirement is money that cannot be spent on deficit reduction, education, health care or other priorities” (since when, one might ask, has retirement provision slipped from our list of national priorities?).

And from the Jan. 1 fiscal cliff agreement, lawmakers expect to reap \$12 billion in revenue, thanks to a provision that allows more 401(k) savers to convert part of their account balances to Roth 401(k)s—voluntarily paying taxes now that otherwise would be deferred until retirement. Although that change brings additional flexibility to retirement planning, it raises concerns that Congress and the White House could consider tapping retirement savings further to help meet budget targets.

As difficult as America's fiscal situation may be, backtracking on retirement policy would be a mistake.

Read [Stevens' full op-ed at the InvestmentNews website](#), and learn more about 401(k) plans at ICI's [401\(k\) Resource Center](#).