



# NEWS

## AMERICANS FOR TAX REFORM

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## Social Security Fact of the Day

Social Security cannot afford to pay all of the benefits it has promised. Beginning in 2017, it will run cash deficits that get bigger every year.

One of the newer fads in workplace retirement plans is “automatic enrollment.” Under these arrangements, workers are automatically signed up for their 401(k) plan, and a certain percentage of salary is deferred into their 401(k) accounts. Workers can opt out of this enrollment if they so choose. **A pleasant surprise is that the least affluent workers are almost twice as likely as the most affluent workers to stay enrolled in these type of plans. That means that these workers are yearning for a mechanism to save for retirement in an easy, automatic way—just like personal accounts in Social Security would do.**

The system has a problem, and we need to fix it. Personal accounts are the solution.

### Least Affluent Workers Most Likely to Choose Automatic Retirement Savings

Source: Perspective Magazine, Vol 11, Issue 2, July 2005



Americans for Tax Reform (ATR) is a non-partisan coalition of taxpayers and taxpayer groups who oppose all federal, state and local tax increases. For more information or to arrange an interview, please contact Christopher Butler at (202) 785-0266 or at [cbutler@atr.org](mailto:cbutler@atr.org).