

EBRI reports IRA statistics for 2012

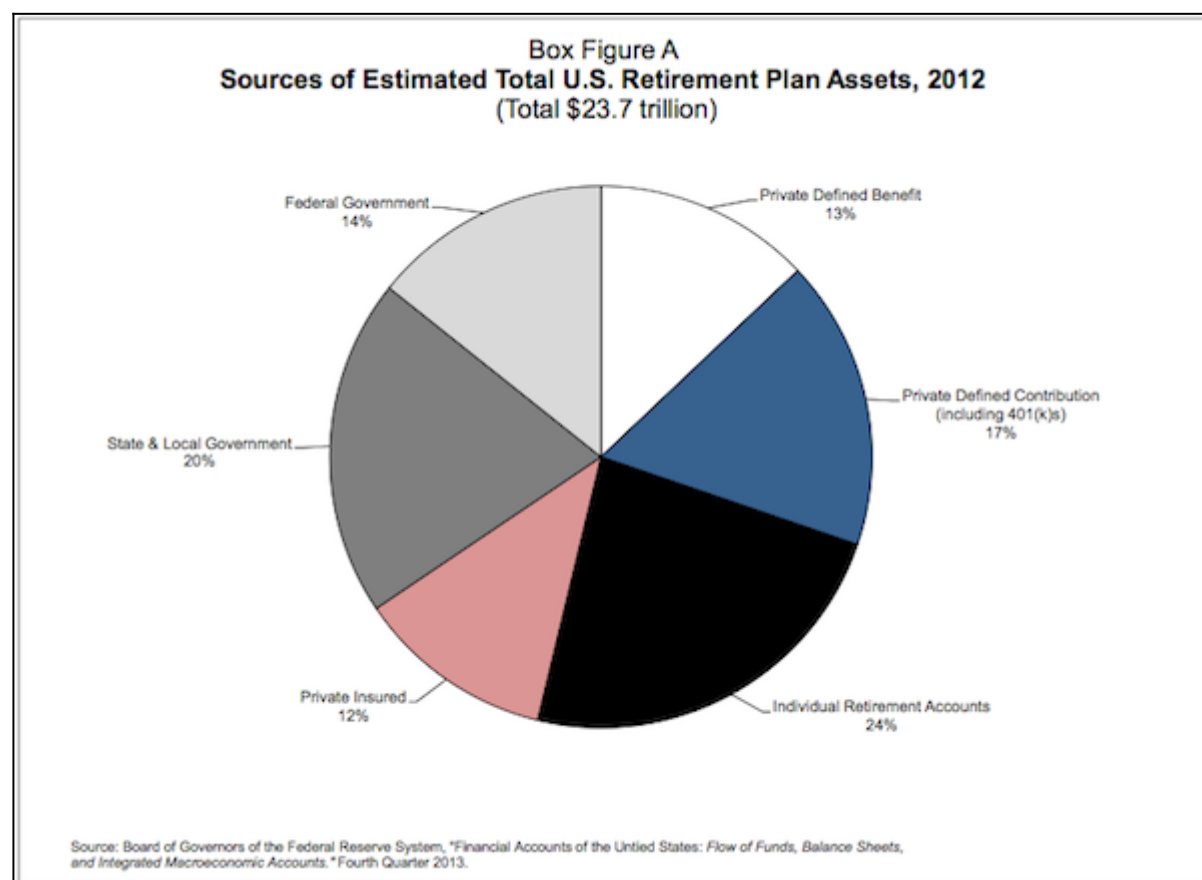
By Editorial Staff Thu, May 29, 2014

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At year-end 2012, the Employee Benefit Research Institute's IRA Database contained information on 25.3 million accounts owned by 19.9 million unique individuals, with total assets of \$2.09 trillion, according to an EBRI release this week.

The data continues to show two trends. By far most of the money in IRAs gets there through rollovers from employer-sponsored retirement plans, and the average balances of IRAs tends to be much higher than the median balance—meaning that the average is skewed upwards by the presence of a relatively few very large accounts.

The total amount of savings in IRAs is much larger than the \$2.09 trillion in the EBRI database. According to the Federal Reserve, IRAs represent about 24% of total U.S. retirement assets of \$23.7 trillion, or \$5.69 trillion.



Among the highlights of the report:

- The average IRA account balance in 2012 was \$81,660, while the average IRA individual balance (all accounts from the same person combined) was \$105,001. Overall, the cumulative IRA average balance was 29% larger than the unique account balance.
- Rollovers dwarfed new contributions in dollar terms. Ten times the amount of money was added to IRAs by rollovers than by contributions, even though the number of accounts receiving contributions (2.4 million) outnumbered the accounts receiving rollovers in 2012 (1.3 million accounts).
- The average individual IRA balance increased with age, from \$11,009 (for those ages 25-29) to \$192,961 (for those ages 70 or older).
- Among individuals who maintained an IRA account in the database over the three-year period in question, the overall average balance increased each year—from \$95,431 in 2010 to \$95,547 in 2011 and to \$106,205 in 2012.
- Men had higher individual average and median balances than females: \$139,467 and \$36,949 for males, respectively, vs., \$81,700 and \$25,969 for females. The likelihood of contributing to an IRA did not significantly differ by gender within the database, however. Both Roth and traditional IRAs owned by either males or females (and those not identified by gender identified) were equally likely to receive contributions.
- IRA owners were more likely to be male. In particular, those with an IRA originally opened by a rollover, or a SEP/SIMPLE IRA were much more likely to be male (57.4% of the former, and 58.2% of the latter).
- Younger Roth IRA owners were more likely than older Roth owners to contribute to their Roth IRA. Forty-three percent of Roth owners ages 25-29 contributed to their Roth in 2012, compared with 21% of Roth owners ages 60-64.