Published on *University of Colorado* (https://www.cu.edu)



# Saving a little for retirement now could make a big difference later [1]

July 5, 2018 by Employee Services [2]

Has your paycheck increased over the years? Have your living expenses changed? If so, you may consider contributing more to your retirement plan. Here's a few reasons why:

- **This may help you avoid paying more in current taxes.** That's because any pretax contributions you make are deducted from your salary before taxes are calculated.
- **There are more funds working for you** because contributions and earnings are not taxed until you withdraw your money.

The chart below shows what may happen when a person earning $40,000 a year contributes 3% or 4% of their salary.

| Starting salary: $40,000 | Total savings after 5 years | Total savings after 15 years | Total savings after 25 years |
|---|---|---|---|
| 3% salary contribution | $7,389 | $34,624 | $90,756 |
| 4% salary contribution | $9,852 | $46,165 | $121,008 |

Still unsure? A TIAA financial consultant can help you select a mix of investment options for your retirement savings goals and risk tolerance. These appointments are included in TIAA administrative contact with CU, so CU employees don't have to pay typical out-of-pocket costs when receiving financial advice – even if you are not a TIAA account holder.

To schedule an appointment on your campus, at a TIAA office or over the phone, call 800-732-8353 or visits TIAA.org/schedulenow.

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