30 Million Americans Used Retirement Savings for an Emergency Over Past Year

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21 Million Americans Aren't Saving for Retirement

NEW YORK, Sept. 23, 2015 /PRNewswire/ -- 30 million Americans tapped their retirement savings for an emergency within the past year, according to a new Bankrate.com (NYSE: RATE) report. The report also found that 21 million Americans aren't saving for retirement at all.

Surprisingly, millennials were the least likely to dip into their retirement funds prematurely (only 8% did so over the past 12 months). In fact, millennials are the most likely age group to note an improved overall financial situation over the past year (40% say they're better off and just 11% say they're doing worse).

The numbers tell a more troubling story for 50-64 year-olds. 26% say their financial situation has deteriorated over the past year (more than any other age group) and 17% recently dipped into their retirement savings to pay for an emergency.

"Using retirement savings to cover an emergency is a permanent setback to retirement planning, with the possibility of taxable distributions, early withdrawal penalties, loss of tax efficiency, and the inability to replace withdrawn funds in future years," said Greg McBride, CFA, Bankrate.com's chief financial analyst.

- The Bankrate.com Financial Security Index rebounded after sliding the past two months and now stands at 102.6 – the best since June.
- Job security is a particular strength: people who feel more secure than a year ago outnumber those who feel less secure by more than two-to-one.
- Savings is the one major area where Americans note deterioration, with 30% saying they feel less comfortable with their savings now compared to one year ago against 18% that feel more comfortable.

The survey was conducted by Princeton Survey Research Associates International (PSRAI) and can be seen in its entirety here:


PSRAI obtained telephone interviews with a nationally representative sample of 1,004 adults living in the continental United States. Telephone interviews were conducted by landline (501) and cell phone (503, including 311 without a landline phone) in English and Spanish by Princeton Data Source from September 3-6. Statistical results are weighted to correct known demographic discrepancies. The margin of sampling error for the complete set of weighted data is plus or minus 3.7 percentage points.

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