

At a Glance | July 15, 2021

# Differences in Individual Account Retirement Plans by Race and Ethnicity

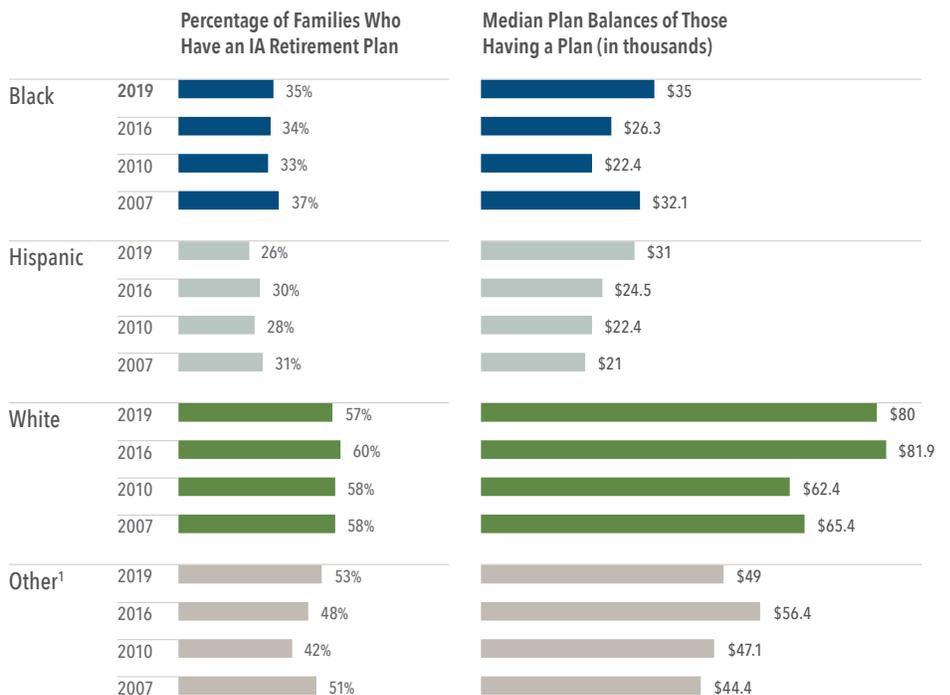
An Analysis of the 2019 Survey of Consumer Finances

## IA PLAN UTILIZATION

Individual account (IA) retirement plans have become the dominant source of retirement assets for private-sector retirees. IA plans include employment-based defined contribution (DC) plans such as 401(k) plans, Keogh plans for the self-employed, and individual retirement accounts (IRAs) for savings outside of the workplace.

However, families with minority heads were much less likely to have IA retirement plans, and when they did own these plans, the median amount held in them was significantly less than for those with White, non-Hispanic heads.

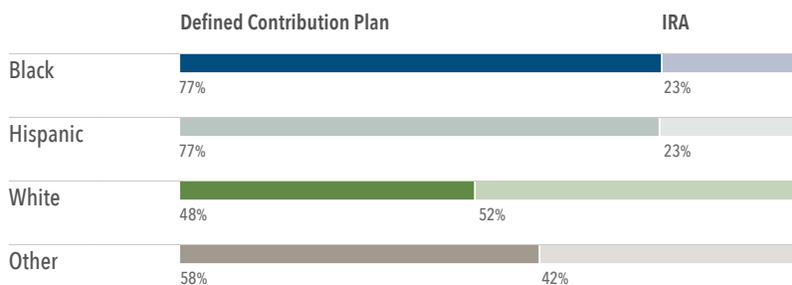
## Percentage of Families With IA Plans and the Median Amount Held in Them, by Race/Ethnicity of Family Head<sup>1</sup>



## SHARE OF IA ASSETS: DC PLANS VS. IRAS

Families with Black and Hispanic heads had higher proportions of assets in defined contribution plans. By contrast, families with White, non-Hispanic heads had a larger share of their IA plan assets in IRAs.

## Distribution of Families' Plan Assets in DC Plans vs. IRAs, by Race/Ethnicity of Family Head



<sup>1</sup> The race/ethnicity categories from the Survey of Consumer Finances are self-identified and include White, non-Hispanic; Black/African American; Hispanic; and other, which consists of those races/ethnicities not defined in the three prior categories, such as Asian Americans and those who identify as multiracial. SCF is at the family level, so the characteristics of the family head (or the reference person) are used to categorize the families.

**SOURCE:** Copeland, Craig, "The Status of American Families' Accumulations in Individual Account Retirement Plans and Differences by Race/Ethnicity: An Analysis of the 2019 Survey of Consumer Finances," *EBRI Issue Brief*, no. 527 (March 11, 2021).