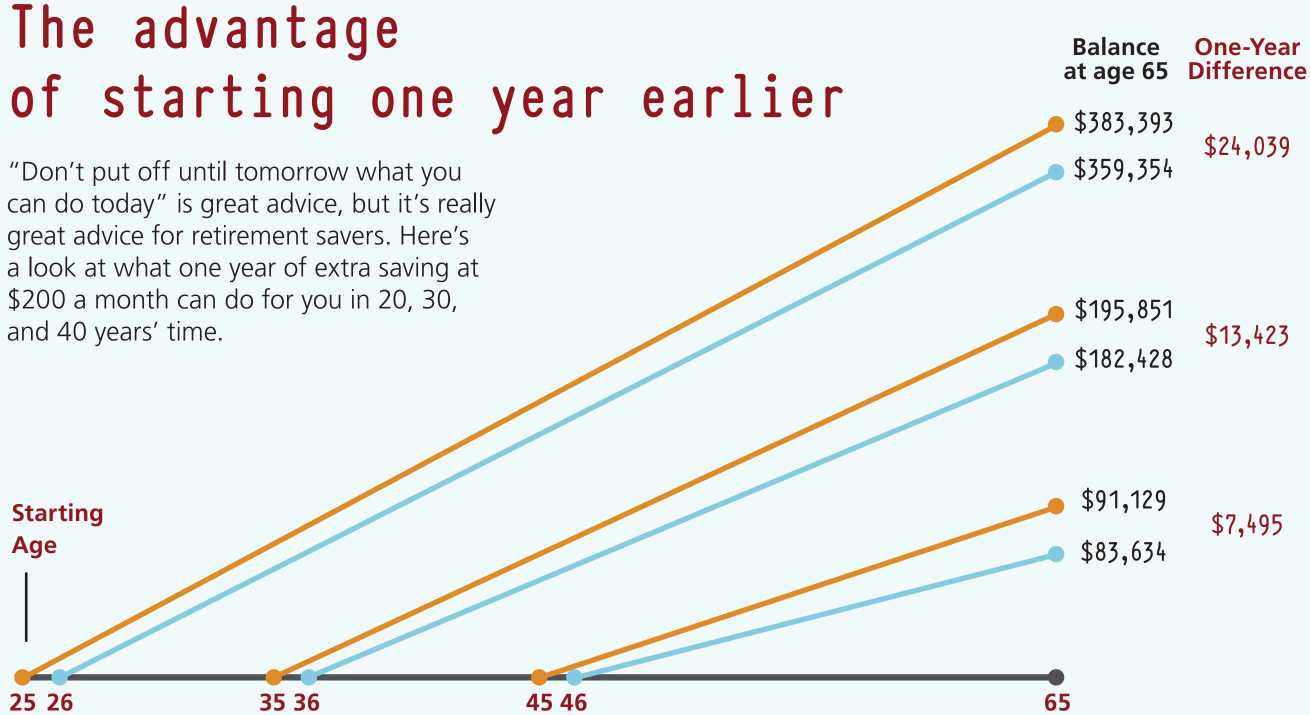
#1 DECIDE HOW MUCH TO SAVE

Your contributions represent the main fuel that generates the growth of your savings. In 2024, the IRS allows you to contribute up to $23,000 to your plan, $30,500 if you're age 50 or older. (Amounts can vary by plan.) The more you save, the greater the potential accumulation over time. The earlier you start can make a big difference, too.

The advantage of starting one year earlier

"Don't put off until tomorrow what you can do today" is great advice, but it's really great advice for retirement savers. Here's a look at what one year of extra saving at $200 a month can do for you in 20, 30, and 40 years' time.



This is a hypothetical illustration and is not indicative of any product or performance; it does not reflect any taxes due upon distribution or any fees associated with investing. Investment options are subject to market risk. It assumes $200 monthly contributions, 6% annual return, and retirement at age 65.

Keep in mind that boosting your pretax contribution has less impact on take-home pay than you may think because the amount you contribute lowers your taxable income for the year.

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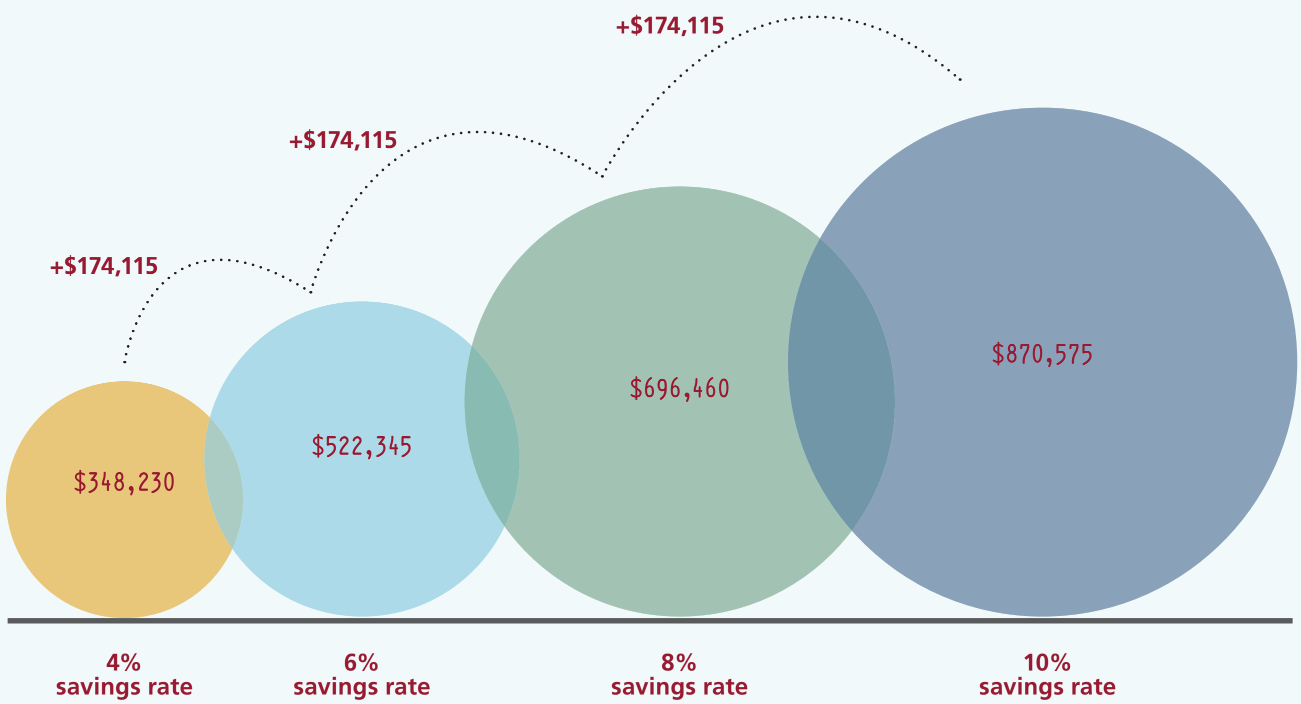
Every little bit counts

Even a small increase in your workplace retirement plan deferral rate can make a big difference in the size of your savings. Say you're 30 years old, earn an annual salary of $52,000, and get paid biweekly. Deferring 2% of your salary to your plan may reduce your take-home pay by $28, but by age 65 you could potentially accumulate more than $174,000 in retirement savings. Defer another 2% and you could gain another $174,000. The chart below shows the impact saving 2% more can make.



Savings-rate assumptions include 3% annual raises and 6% annual investment returns, calculated using the "Retirement Contribution Effects on Your Paycheck" tool at bankrate.com.

As a rule of thumb, try to put **10% – 15% of your income toward your retirement.** It's an easy-to-remember target, and the sooner you start to save, the likelier you may be to reach your financial goals. Check your progress by using the Contribution Planner at LincolnFinancial.com/ContributionPlanner.

Think long-term commitment