



<https://www.bankrate.com/retirement/401-k-calculator/>

Estimating Retirement Savings

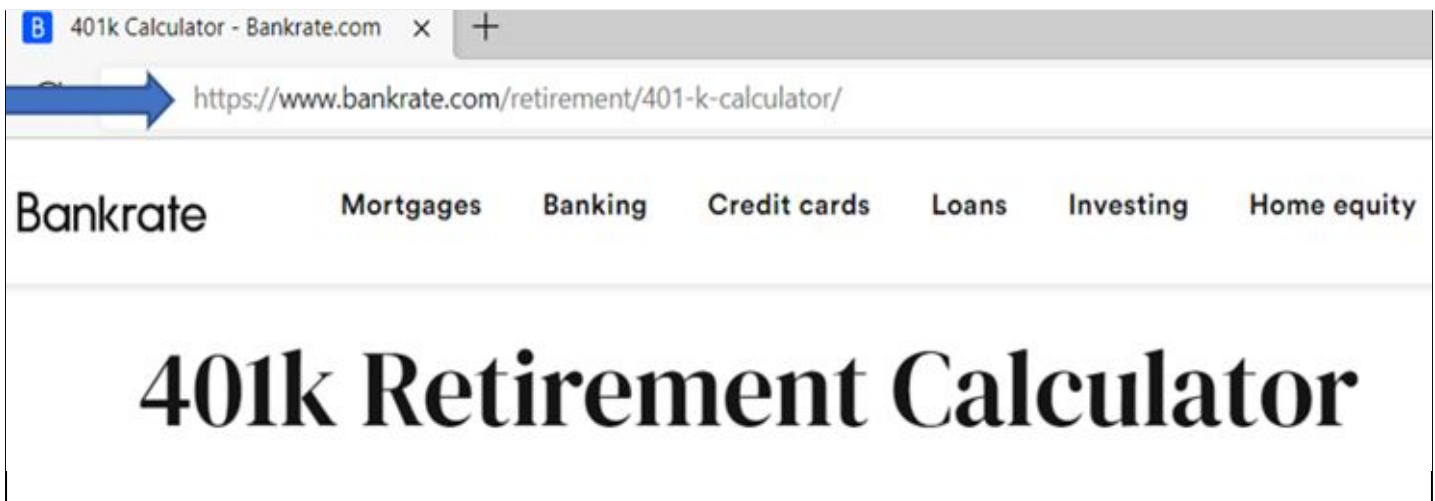
What is a 401K?

A 401K is a retirement account that is provided to employees by select employers. The main benefit of a standard 401K is that you don't pay taxes on your money until you withdraw it during retirement.

Instructions

First thing we're going to do is visit:

<https://www.bankrate.com/retirement/401-k-calculator/>



- Next we're going to fill in all of the blank boxes. The questions are about how much money you plan to contribute to your 401k. The example below is from a woman named Nicole. She's a 25 year old that earns 50K per year and has \$1000 in her 401K. She invests 10% of her salary every year and does not receive annual raises or an [employer match](#). She estimates a 7% rate of return, which is slightly less than the rate of return for certain [index funds](#).

401(k) Employee Savings Plan:	
?	Percent to contribute: <input type="text" value="10%"/>
?	Annual salary: <input type="text" value="\$50,000"/>
?	Annual salary increase: <input type="text" value="0%"/>
?	Current age: <input type="text" value="25"/>
?	Age of retirement: <input type="text" value="65"/>
?	Current 401(k) balance: <input type="text" value="\$1,000"/>
?	Annual rate of return: <input type="text" value="7%"/>
Total employee contributions: \$200,000	
401(k) Employer Match:	
?	Employer match: <input type="text" value="100%"/>
?	Employer match ends: <input type="text" value="0%"/>
Total employer contributions: \$0	

- Last we're going to hit the calculate button to estimate how much money you will have in your 401K by retirement. Based on the example we used, Nicole is expected to be a millionaire by the time she retires!

Calculate **View Report**

Your total is \$1,050,615 after 40 years.

401k Savings Plan:

Contribution:	<input type="text" value="10%"/>	0%	33%	66%
Salary:	<input type="text" value="\$50,000"/>	\$0	\$10k	\$100k
Investment Rate:	<input type="text" value="0%"/>	0%	4%	8%

CONGRATULATIONS! YOU'VE JUST ESTIMATED HOW MUCH MONEY YOU WILL HAVE IN YOUR 401K FOR RETIREMENT!!!!