Complete Guide

Retirement Savings by Age Planner: Am I On Track?

"Am I on track?" is the most common financial question adults ask — and the hardest to answer without a benchmark. Fidelity's savings multiples give that benchmark: 1x salary by 30, 3x by 40, 6x by 50, 8x by 60, and 10x by 67. But a benchmark without context is just a number. This planner explains the math behind each milestone, shows what to do if you are behind, quantifies the real impact of catch-up contributions, higher savings rates, and a later retirement date, and builds realistic catch-up scenarios for the most common shortfall situations. Work through it and you will know exactly where you stand and what specifically to change.

1. Foundation

Fidelity's savings-by-age benchmarks are built on a consistent underlying model: a household saving 15% of income per year starting at age 25, invested in a diversified portfolio earning roughly 5.5% real after inflation, targeting an annual retirement income equal to 45% of pre-retirement income (the other 55% coming from Social Security and reduced spending). The benchmarks assume a retirement age of 67. When those assumptions roughly match your situation, the multipliers provide useful signposts. When they diverge — you started saving later, you plan to retire earlier, or your target income is higher than 45% of salary — the multipliers still provide a meaningful starting point, but need adjustment.

The math behind the 1x benchmark at age 30 is more demanding than it looks. A 25-year-old earning $50,000 who saves 15% ($7,500/year) earns a 4% raise annually and earns 5.5% real returns on investments will have saved roughly $50,000 by age 30 — very close to 1x their then-salary of about $60,000. But if they start saving at 28, or save only 8%, or earn 3% returns, they may arrive at 30 with $10,000–$20,000 rather than $50,000. Being at 0.5x at 30 is not catastrophic — there is decades of compounding

ahead — but it signals that something in the model needs adjustment: start sooner, save more, or plan to work longer.

The jump from 1x at 30 to 3x at 40 is the hardest decade in the model. In that decade, you need to roughly triple your balance from 1x to 3x salary while salary itself is probably rising. If salary grows from $60,000 to $90,000 between ages 30 and 40, the 1x balance of $60,000 needs to become a 3x balance of $270,000 — a $210,000 increase. At a 15% savings rate on average salary of $75,000, annual contributions are $11,250. Over 10 years at 5.5% real returns, $60,000 invested grows to about $102,000 and $11,250 per year of new contributions grows to about $149,000, for a total of roughly $251,000. Close to target. Miss a few years of that savings rate due to a career break, student loans, or a home purchase, and the shortfall compounds quickly. The thirties are when the gap between on-track and behind-track first becomes material.

The 6x at 50 and 8x at 60 milestones are where catch-up contributions become critical. At age 50, the IRS allows an additional $7,500 catch-up contribution per year to 401(k) plans (2024 limits), on top of the standard $23,000 limit, for a total of $30,500. For IRAs, the catch-up is an additional $1,000 per year. Over 15 years from age 50 to 65, maximizing the full 401(k) catch-up produces roughly $790,000 in additional portfolio balance at 5.5% real returns — materially closing most mid-career gaps. The catch-up provision exists precisely because many households are behind at 50 and need a mechanism to accelerate without having to find entirely new income sources.

2. Step-by-Step System

1

Calculate your current savings multiple

Take your total retirement savings — the sum of all 401(k), 403(b), traditional IRA, Roth IRA, SEP IRA, and any other retirement-specific accounts — and divide by your current gross annual income. Do not include emergency funds, home equity, or taxable brokerage accounts in the numerator unless they are genuinely earmarked for retirement and invested accordingly. If your retirement accounts total $175,000 and your salary is $85,000, your multiple is 2.06x. Compare that to the benchmark for your age. At 35, the approximate benchmark multiple is 2x (interpolating between 1x at 30 and 3x at 40). At 45, it is roughly 4.5x (midway between 3x at 40 and 6x at 50). At 55, it is about 7x (midway between 6x at 50 and 8x at 60). These interpolated points are not exact formulas — Fidelity publishes only the five anchor points — but they give you a directional read on whether you are ahead, roughly on track, or meaningfully behind. Write down your multiple, the benchmark for your age, and the gap. That gap drives everything in steps 2 through 6.

2

Recalibrate the benchmark for your specific retirement plan

The Fidelity benchmarks assume retirement at 67. If you plan to retire at 62, the same 10x-at-67 logic implies you need about 12–14x at 62, because you will have five additional years of portfolio withdrawals and five fewer years of Social Security income before claiming. If you plan to retire at 70, 8x at 70 may be sufficient. The benchmark also assumes Social Security will replace a meaningful portion of income. If Social Security will replace about 30% of pre-retirement salary (which is typical for median earners), and target replacement is 70–80% of salary, your portfolio only needs to cover the remaining 40–50%. If Social Security will be much smaller — because of low earnings history, early claiming, or non-covered employment — the required multiple at each age must increase. Adjust the benchmark by modeling your actual Social Security amount: if annual Social Security at 67 equals 20% of your final salary rather than the assumed 30%, add approximately 1–2x to each benchmark milestone to maintain the same income replacement target.

3

Quantify the catch-up contribution impact

If you are age 50 or older, the IRS catch-up provisions are the most powerful tools available. In 2024, the 401(k) total limit is $30,500 ($23,000 standard + $7,500 catch-up). For a traditional or Roth IRA, the limit is $8,000 ($7,000 + $1,000 catch-up). A household where both spouses are over 50 can contribute up to $61,000 to their 401(k)s and $16,000 to their IRAs in a single year — $77,000 in total annual retirement contributions. At 5.5% real returns, $30,500 per year for 15 years grows to approximately $700,000 in additional balance. The catch-up math is concrete: a 50-year-old at 3.5x salary who maximizes catch-up contributions for 15 years at average returns can typically close a 1–2x gap compared to someone who contributes only the standard amount. The catch-up does not require finding a second job — it requires redirecting income that currently flows to after-tax savings, discretionary spending, or early mortgage payoff into retirement accounts instead.

4

Model the savings-rate increase required to close the gap

For households that are behind and not yet at catch-up age, the primary lever is increasing the savings rate. The impact is intuitive: each 1-percentage-point increase in savings rate typically translates to approximately 1–2 additional months of progress per year. But the math is more useful than the rule of thumb. If your current savings rate is 10% on a $90,000 salary, you save $9,000 per year. Increasing to 15% adds $4,500 per year. Over 20 years at 5.5% real returns, that additional $4,500 per year compounds to about $165,000 of additional portfolio balance. A jump from 10% to 20% produces about $330,000 more. For households significantly behind, meaningful catch-up typically requires savings rates of 20–30%, sustained for 10–15 years, combined with reasonable return assumptions. No single savings rate increase closes a large gap quickly — the math is about sustained behavior over time, not heroic bursts.

5

Evaluate the retirement-age adjustment tradeoff

Delaying retirement from 62 to 65 does four things simultaneously: it adds three more years of contributions to the portfolio, it gives the existing portfolio three more years to compound, it reduces the number of years the portfolio must fund (from perhaps 30 years to 27 years), and it raises the Social Security benefit if you delay claiming. The combined effect is substantial. A household with a $600,000 portfolio at 62 that delays retirement by three years while adding $25,000 per year in contributions at 5.5% growth will have approximately $793,000 at 65 — 32% more than the 62 baseline. That 32% increase in portfolio size directly reduces the required sustainable withdrawal rate. If the household was right at a 4.0% withdrawal rate threshold at 62, they are now well into a 3.5% zone at 65 with a shorter remaining horizon. Working three additional years is roughly equivalent in portfolio impact to 8–10 additional years of average contributions at younger ages, because the existing larger portfolio is compounding at a high base. Model this tradeoff explicitly before making an early retirement decision.

6

Build a realistic catch-up scenario for your specific situation

Generic catch-up math is motivating but not actionable. Build a scenario tied to your numbers. Start with your current balance, your age, your savings rate, and your salary. Project forward using a spreadsheet or a retirement calculator to your target retirement age at current savings rate and a return of 5.5% real. Note the projected multiple. Then run two alternative scenarios: one with a 5-percentage-point increase in savings rate, and one with a retirement date that is 2–3 years later. Compare all three projected multiples at the target retirement age. In most cases, a meaningful savings-rate increase produces the largest improvement, but the later retirement date produces a closer-to-sufficient result if the portfolio is already large. A combined scenario — 5 points more in savings plus 2 years later — often takes a behind-on-track household to on-track within a single decade. The goal of the scenario exercise is not to find a perfect answer but to identify which lever costs the least in lifestyle terms while producing the most progress toward the target multiple.

3. Key Worksheets & Checklists

These worksheets connect the benchmarks to your real numbers. The gap analysis converts an abstract multiple into a dollar amount and a savings plan. Update them at every major income change, at least once per year.

Savings-by-Age Benchmark Worksheet

Current age	Write your current age and the benchmark multiple for that age (interpolate if between anchor points).
Current gross salary	Annual W-2 or self-employment income. Use the most recent full year.
Total retirement savings	Sum of 401(k), IRA (traditional + Roth), 403(b), SEP-IRA, and any other retirement accounts. Exclude emergency fund and home equity.
Current savings multiple	Total retirement savings ÷ current salary. Compare to benchmark.
Benchmark at current age	Fidelity milestones: 1x at 30, 3x at 40, 6x at 50, 8x at 60, 10x at 67.
Gap in multiples	Benchmark minus current multiple. Negative = ahead. Positive = behind.
Gap in dollars	Gap in multiples × current salary.
Annual savings (current)	All retirement account contributions including employer match.
Current savings rate	Annual savings ÷ gross salary. Compare to the 15% target assumption in the benchmark model.

Catch-Up Scenario Comparison

Scenario	Change	Projected Multiple at Retirement
Current path	No change to savings rate or retirement date	Calculate with FV formula at current savings and return
Savings rate +5 pts	Increase annual contributions by 5% of salary immediately	Recalculate with higher PMT in FV formula
Retirement age +3 years	Work 3 additional years beyond current target date	Add 3 years to accumulation, remove 3 years from distribution
Combined	Both savings rate increase and delayed retirement	Highest projected multiple; compare to 10x target
Catch-up contributions	If age 50+: maximize full IRS catch-up each year	Add $7,500/yr (401k) and $1,000/yr (IRA) to PMT in FV

On-Track Checklist

- Confirm your retirement account total includes all accounts, not just the most recent employer's 401(k).
- Look up any old 401(k) accounts from previous employers and roll them into your current plan or an IRA to ensure they are counted and properly invested.
- Verify you are capturing your employer match in full — the match is part of your effective savings rate.
- If age 50 or older, confirm you have elected the catch-up contribution amount in your 401(k) enrollment.
- Recalculate your multiple annually after your salary review — benchmarks scale with income, so a raise changes both the numerator goal and the denominator comparison.
- Run a retirement projection calculator (Fidelity myPlan, T. Rowe Price, or Vanguard's tool) with your actual numbers annually and compare the projection to the benchmark multiple.
- If your multiple is more than 1.5x below the benchmark, identify a specific, measurable change to make in the next 90 days — a contribution increase, a rollover consolidation, or a plan to model a 2-year delay.

4. Common Mistakes

Leaving old 401(k) accounts behind at former employers

A significant fraction of retirement savings in the United States sits in unclaimed, unconsolidated 401(k) accounts at former employers. These accounts are still legally yours, but they may be invested in high-cost default funds, may not be rebalanced, and are almost certainly not factored into your current savings multiple. Track down every old employer plan, roll them into your current 401(k) or a rollover IRA, and include them in your benchmark calculation. The National Registry of Unclaimed Retirement Benefits (unclaimedretirementbenefits.com) can help locate accounts you may have forgotten.

Comparing gross savings to the benchmark without employer match

The Fidelity benchmark model assumes a 15% savings rate inclusive of employer match. If your employer matches 4% and you contribute 11%, your effective rate is 15%. If you contribute only 6% and capture a 3% match for a 9% total, you are 6 percentage points below the benchmark assumption — and that gap compounds significantly over decades. Calculate your effective total rate including the match, then compare it to 15%. If you are below, the first action is to close the gap before adding any other savings vehicles.

12

Applying the benchmark without adjusting for retirement age

A 60-year-old planning to retire at 62 needs substantially more than 8x salary — closer to 14x — because there are five additional years of spending before Social Security income can begin at full benefit, and the portfolio has five fewer years to grow. Applying the 8x-at-60 benchmark without this adjustment creates false confidence. Always recalculate the required multiple for your actual target retirement age, not the benchmark's assumed 67.

Treating a raise as permanent spending instead of a savings accelerant

Every significant income increase is an opportunity to close a savings-multiple gap without reducing current lifestyle. If salary rises from $90,000 to $100,000, the benchmark multiple at age 40 rises from requiring $270,000 to $300,000 — but the $10,000 raise, if directed to retirement accounts, builds toward that higher target. Households that raise their lifestyle in exact proportion to income increases maintain the same multiple position they had before the raise. Capturing even 50% of each raise in retirement contributions accelerates progress dramatically over a career.

5. Next Steps

With your current multiple calculated and your catch-up scenarios modeled, build the forward projection in a spreadsheet or use Fidelity's myPlan tool, T. Rowe Price's Retirement Income Calculator, or Vanguard's retirement income planner. Run the three scenarios from the worksheet: current path, savings-rate increase, and delayed retirement. Save the output so you can compare it to next year's projection and see whether your behavior is closing the gap. If you have old 401(k) accounts at former employers, consolidate them now using the National Registry of Unclaimed Retirement Benefits. Revisit this analysis at every salary change and every year at your annual financial review.

Back to store

Need help? support@wingmanprotocol.com