



Building a Self-Directed IRA Portfolio that Outlives You

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Are you ready to start taking control of your financial future?

With the uncertainty of the economy and politics, the social security payments that adults always thought would be there to take care of them financially may no longer be a viable option. It is time to get your financial house in order. One important facet to your financial success is building your retirement portfolio. This year has the potential to be the best year yet to do this. One of the last tax enhancements the government provides is the ability to have an IRA or 401 (k) that gives us a tax deferral. You must start to take control of your IRA or 401 (k). This is no longer an option, it is a must to ensure a legacy not only for you and your immediate family but should you wish for your money in retirement to out-live you, it is time to plant the seed corn and watch it grow.

Contributing to a tax-advantaged account allows you to get the current benefit of reducing your taxable income and the long-term benefit of allowing your investments to grow tax-deferred or, in the case of a ROTH IRA, tax-free with after tax dollars.

There are of course the traditional investments —stocks, bonds, mutual funds, CDs, savings accounts, etc. — that are brought to you by a local stockbroker or financial advisor. This report will not be focusing on traditional investments. Rather, we at IRA Innovations believe everyone needs a portion of their IRA to be vested in a self-directed asset- an investment that is outside the box of traditional investments.

Some examples of alternative investments are:

- Real Estate
- Private Loans/Seller Financed Mortgages
- Precious Metals
- Lending Your IRA Out for a Business or Other Opportunity
- Factoring Accounts Receivables
- Timber
- Land
- Oil and Gas
- Options
- Businesses
- Many More

The beauty of a self-directed IRA is simple.

You get to take control and choose which investment you wish for your retirement plan to acquire. Then simply give the instruction to the administrator to purchase the asset in the name of your IRA. All income coming from the investments gets deposited into your IRA; any bills that need to be paid come out of your IRA to the vendor who bills your IRA through your administrator. The net profit comes back to you either tax-deferred or tax-free.

A mistake many of us make is not saving for retirement. We allow day-to-day living and expenses to get in the way and we forget to focus on our inevitable future. Let's get real. The biggest indication of the quality of your retirement will be how much you have saved. With a self-directed IRA, you have the ability to accelerate your savings with alternatives that you know, understand and can control.

Allow me to review the different tax-advantaged retirement options available besides the company 401 (k) so you can see which one meets your needs.

SEP IRA

Short for Simplified Employee Pension Plan, SEP IRAs are a good choice for commission sales people and small business owners with no employees or professionals. The contribution limits are higher than with a traditional IRA. You can contribute as much as 25% of your net self-employment income up to a maximum of \$51,000

SIMPLE IRA

A SIMPLE IRA (savings incentive match plan for employees) is a good choice if you are a business owner and have a limited number of employees (less than 100). Employees, including you, can contribute up to \$12,000 annually. As the employer, you may also contribute a dollar-for-dollar match up to 3%.

Traditional IRA

The IRA contributions limit for 2013 is \$5,500. If you are over age 50, you may contribute an additional \$1,000 away making the total contribution limit \$6,500

ROTH IRA

Contribution limits for this tax-free IRA are the same as the Traditional IRA, however the contributions are made with after-tax dollars. This means that you will not pay tax on this money when it comes time for a distribution.



Not all retirement plans are created equal.

When in doubt, feel free to contact us to help you establish which plan is the right one for you. You can even have a 401(k) and an IRA, ask us how!

The goal is to contribute the maximum amount year after year. If that not possible, open and fund what you can. I encourage you to get into the habit of funding whichever account helps you to help yourself.

Your comfort in retirement is directly proportional to the portfolio that you build. You alone are accountable for your financial situation. Invest in what you know best and take the steps necessary to create the successful financial outcome you deserve. We are here to help you get started on your road to financial freedom.

We at IRA Innovations are proud to help you achieve your self-directed retirement plan goals. Contact our customer service department at 205.985.0860 and let us help you get started. With over 10 years of experience, we have assisted thousands nationwide achieve their financial goals with a tax enhanced retirement account that grows the way you want it to! Don't wait get started.

Recently, there has been a lot of discussion about IRA Fraud. It is vital that you select a custodian or administrator who is qualified to handle a self-directed investment. Not all companies are created equal. Look for a company that sells no products or investments. The company's business should solely be the record keeping/administration for the client, period. If they are involved in any investment type or legal product, run!

It all many sound so confusing, but really it is not. We are here to help answer any questions and help you get started on your road to financial freedom. Millions of consumers who wish to create wealth use a self-directed IRA as part of their arsenal. Why not you? After all, who else will take better care of your money then you? Why would you allow others to vote on your financial future?

I encourage you to bookmark our web site at irainnovations.com and download more of our reports as they are published. Make sure to visit our community corner where we report on the latest developments in IRAs and discuss other areas of education that can help you make informed decisions.