

# Common IRA Questions

**Why use an IRA?**

**Why a Roth?**

Roth – Tax Free

Traditional – Tax Deferred

**YOUR WEALTH  
WILL GROW  
10 TIMES  
FASTER TAX FREE**

How do I set up a  
Roth? Who?

**QuestIRA.com**

Can I use my  
existing IRA?

**Yes**

Who can qualify for  
a Roth?

**Anyone**



I don't have earned  
income.

Open an LLC, loan it  
money and pay  
yourself a salary.

But my CPA told me  
my income was too  
high to have a  
ROTH.

## Easy Fix

As of 2010, you can transfer money from a traditional to a ROTH regardless of your income.

But, you can only make a contribution in the years you make below the max.

**Who Cares!**

It's not about  
contribution, it's about  
**PROFIT.**

# Example

- Buy house with \$0 down on Terms.
- \$100 deposit
- Install tenant with \$20,000 deposit

**Your IRA made \$20,000**

# Example

Your IRA buys a junker with a \$100 deposit and pays cash with its money.

You fix and flip and net  
**\$50,000 Tax Free**



Why isn't my profit  
considered a  
contribution?

How do I go about  
buying in my IRA?

Have your IRA form  
an LLC and use it to  
buy.

# Step 1

Make offer in name of  
your IRA owned LLC-A

## **Step 2**

Once due diligence is done, close in a land trust with LLC-A as the beneficiary

If the money isn't in  
LLC-A, transfer it from  
your IRA to LLC-A or  
have your trust borrow  
it and put funds in  
LLC-A

(non recourse only)

# Remember

You can not sign on loan or pay any expenses on this deal or have your signature anywhere on any of the docs.

How many deals can  
my IRA do a year?

**Unlimited**



# Alert

If your IRA looks like a business, it will pay taxes on profits at 37%.

Therefore, if you buy and sell numerous houses in your IRA in any year, it may be wise to have another IRA for other investments.

Is there a limit on my  
profit?

**No!**

What can my IRA  
buy? Can't buy?

- Artwork
- Rugs
- Antiques
- Metals
- Gems
- Stamps
- Alcoholic Beverages

What is **U.B.I.T?**

**Unrelated Business  
Income Tax**

# What kind of real estate deals trigger **U.B.I.T**?

- Subject to
- Owner Financing
- Private Money
- Any Debt

Does that mean I  
shouldn't do Terms deals  
in my IRA?

**No!**



It means you must be  
informed enough to  
analyze your options.

# Option 1

Take title and pay the taxes when sold. The balance grows tax free forever.

# Option 2

Don't buy it.

Lease with option.

A lease is not debt and  
doesn't trigger UBIT.

# Note

If the loan is paid off a year before the sale, UBIT doesn't apply.

# Catastrophe

Self Dealing

Prohibitive Transactions

**You cannot be personally compensated for any of your IRA's activities or directly control the money.**

**YOU** means...

You or your spouses parents, grandparents, children, grand children or anyone else in your linear decent and all entities you or they control.

Can I deed a house I  
own to my IRA?

**No!**



# **The Penalty**

Your IRA may be disallowed  
and all your income taxed  
with penalties and interest.

The cost can be more than  
the money in your IRA.

You cannot loan or borrow  
or sign on notes for your IRA  
and it cannot guarantee  
debt.

You or they cannot live in  
or benefit from any IRA  
owned asset.

**The rules are simple.**  
If you break them, you may  
never get caught, but...

**Most all asset protection  
advice you receive will  
not protect you or your  
IRA from the IRS...**

**Don't Dance With  
This Gorilla**

Can my children and  
grandchildren have  
an IRA?



How can my children and  
grandchildren get through  
college for free?

CEESA – Coverdell  
Educational Savings  
Account

How can I help my  
parents create a  
retirement income when  
they're in their 70's,  
80's, 90's ?

Pay them enough  
earned income from  
your LLC to make a  
contribution to their IRA.

Set up a Roth IRA for  
them.

Use it to do a deal using  
a \$100 deposit and  
earning them  
\$20,000 - \$30,000.

They can now use the  
money any way they  
see fit.

# Alert

There will be a 10% early withdrawal penalty for the first 5 years.

**But  
No  
Taxes**



**My IRA is broke. How  
does this apply to me?**

Can you contribute a  
few hundred dollars and  
then do a...

- Wholesale Flip
- Terms Deal
- Option
- Rehab with Private Money

Can I use my 401k?

**Yes!**

**Tax Deferred**

Can I hold property long  
term in my IRA?

**Yes!**

What should I do with  
the cash in my IRA?

**Invest it!**

- Buy Short-Term Properties
- Buy Defaulted Paper (ugly)
- Buy Tax Liens
- Make Equity Loans
- Buy Long Term Properties
- Stocks
- Mutual Funds
- Crypto Currency

**Should I talk to my  
accountant first?**



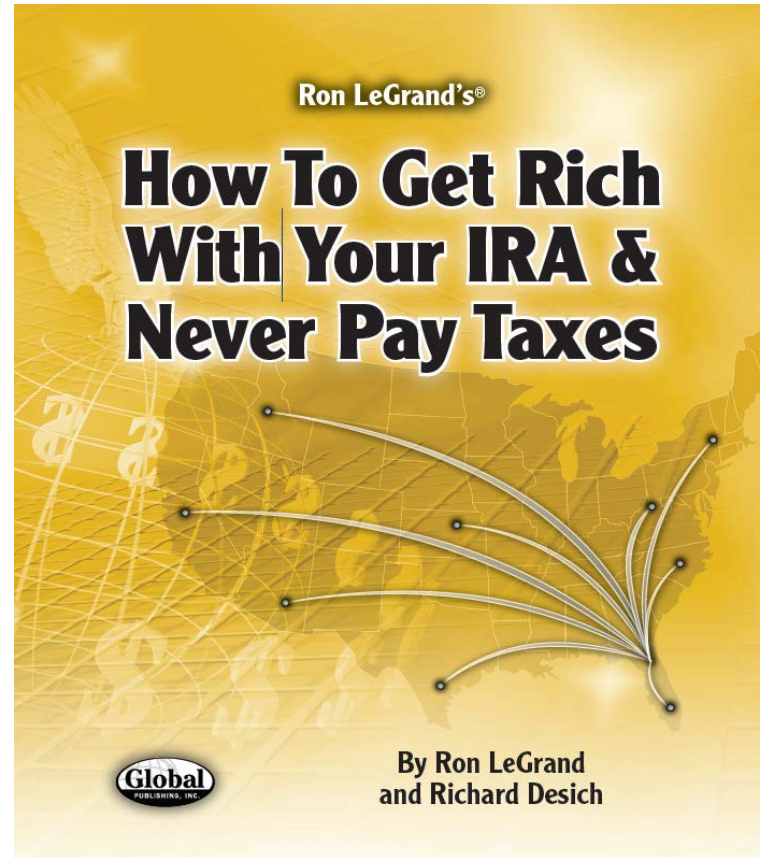
Tax Matters – **Yes**

IRA Advice - **?**

Where can I get more  
information?

# IRA Course

**\$395 Here**



**No Gold Club points at this price.**