

The Essential Guide to Self-Directed IRAs

The Time to Take Control is *Now*.

Invest in Assets that You Understand

For investors ready to take control of their future in a tax-advantaged vehicle, no option offers as much freedom as a Self-Directed IRA. Learn how American IRA is your best choice for financial control.



AMERICAN IRA
Self-Directed IRAs and 401Ks

www.AmericanIRA.com



American IRA, LLC, a North Carolina limited liability company ("Administrator"), serves as a Third Party Administrator ("TPA") providing educational and administrative services on behalf of the Custodian, New Vision Trust Company, a state chartered South Dakota Trust Company ("Custodian").

Why a Self-Directed IRA?

Take Control of Your Investments

Self-Directed IRAs Offer You More Choices for Your Future

FICTION: The only investments allowed in a retirement account are stocks, bonds, CD's, money markets and mutual funds.

FACT: A wide range of investment options have been available to the public since 1974, the year IRAs were first authorized.

Why does this myth exist?

The reality is that the IRS Code simply dictates what investments we CANNOT make with our retirement plans. For decades, the wealthiest and most connected investors have used this knowledge to invest in “alternative” assets including Real Estate, Private Companies, Precious Metals (such as Gold and Silver) as well as debt instruments (such as Mortgages and Liens). American IRA is on a mission to bring a wide array of investment possibilities to the general public. While traditional accounts may be right for some, they do not offer the same freedom, flexibility and control that a truly self-directed qualified retirement plan offers.

You need to have a retirement plan that allows you the freedom to invest in a wide range of assets, including real estate, tax liens, mortgage notes, limited liability companies (LLCs), private stocks and precious metals (such as gold and silver), to name just a few.



With an American IRA self-directed retirement account, you have the freedom to decide what to invest in. We will work with you and your professionals to maximize the tax-deferred and tax-free potential of your retirement account. American IRA serves as a Third-Party Administrator (TPA) providing educational and administrative services on behalf of the Custodian, New Vision Trust Company.

New Vision Trust Company, a State Chartered South Dakota Trust Company is a full-service passive custodian that was created to bring sensibility to the investment process. New Vision Trust Company has streamlined the investment process to give investors the tools they need to be flexible and profitable. Our transactions are reviewed and audited internally as well as externally by the Banking Commissions in South Dakota and North Carolina, respectively.

Why Choose American IRA?

Expertise

Gain access to our Certified IRA Services Professionals, offering more than 50 years of combined investment experience.

Value

Experience the benefit of our client-friendly fee schedule. American IRA offers a low, set annual fee that allows you to enjoy unlimited assets, unlimited account values and no charge on all cash accounts. You will not be penalized for your success!

Performance

Expect quick and efficient industry leading investment processing with completed package. From your first call, you will receive personalized, one-on-one attention from our experienced and knowledgeable staff.

Education

Access our free, ever-growing and unparalleled library of educational content (including webinars, videos, e-books and IRA Guides) covering everything from the most basic transactions to the most creative and complex transactions.

Growth

Finding an experienced firm to hold non-traditional assets (real estate, private lending, tax liens, gold, etc.) within a retirement plan can be a challenge. At American IRA, we specialize in the administration of self-directed retirement plans and provide the service that allows you to add alternative investments to your retirement plan.

Support

American IRAs team is comprised of Certified IRA Services Professionals (CISP), experienced investors and a dedicated senior staff.



Want to learn more?

Visit our Self-Directed IRA Investor's Guide
at AmericanIRA.com/investors-guide

Individual Plans

Compare these IRA plans and select the one that is right for you.

Traditional IRA: A tax-deferred retirement program that allows individuals to invest earned income in a retirement savings account. Traditional IRAs are the most common accounts individuals use to save for their retirement.

Roth IRA: Roth IRA contributions are not tax deductible, however, once you are 59 1/2 and the account has been established for a minimum of 5 years, funds can be withdrawn at any time tax-free!

Business Plans

Small business retirement plans offer self-employed and small business owners tax savings and an opportunity to save for their retirement years.

Traditional 401(k): A qualified plan that offers generous Roth contribution amounts and allows employees to make pre-tax elective deferrals through payroll deductions. This is a great plan for business owners who want to self-direct their account and also want to provide their employees with the option of self-directing their accounts.

SEP IRA: A Simplified Employee Pension (SEP) plan provides

employers with a way to make contributions to their employees' retirement. Another great feature of a SEP IRA is that the employer may also make contributions to their own retirement!

SIMPLE: A Savings Incentive Match Plan for Employees (SIMPLE) is a tax-favored retirement plan that eligible small employers (including self-employed individuals) can set up for the benefit of their employees.

Solo 401(k): The Solo 401(k) plan is an IRS-approved and qualified 401(k) plan. It is designed for a self-employed sole proprietor, a corporation or a limited liability company with no full-time employees. The self-employed 401(k) participant can make contributions as both the employee and the employer, resulting in very high contribution limits.

Other Plans

Health Savings Account (HSA) is a tax-exempt trust set up to pay or reimburse qualified medical costs incurred.

Education Savings Account (ESA) is a Coverdell account created as an incentive to help parents and students save for education expenses.



Funding Options

Contribution: Each retirement plan allows you to contribute personal funds throughout the year. The amount you are permitted to contribute each year varies depending on your age, income and retirement plan type.

Conversion: You can convert all or part of the cash and/or assets from a Traditional IRA and place them in a Roth IRA. It is important that you understand the taxable consequences of this conversion.

Direct Rollover: Your money is transferred directly from one retirement account to another. No money is withheld for taxes.

Indirect Rollover: You essentially cash out your old retirement plan and re-invest the funds in a new plan in 60 days or less. In this case, 10 to 20 percent of the money is withheld for taxes. You are allowed one per 12 months.

Transfer: A direct transfer of cash and/or assets from one IRA retirement account to a similar account. Since this is a trustee-to-trustee transfer and the investor does not directly take possession of the cash and/or assets, there is no tax on this transfer and there is no limit to the amount of transfers within a year.

Investing: Popular Options

Real Estate

A Self-Directed IRA, or “Real Estate IRA,” gives you the freedom to invest in alternative assets such as land (improved or unimproved), condominiums, townhomes, single-family homes, multi-family properties, apartment buildings, industrial properties, as well as any type of commercial building.

Private IRA Lending

There are clients that choose to act as the bank for other investors or business owners. With a self-directed account, you can lend money secured by a type of real estate, equipment or any other type of collateral that you deem to be appropriate. As the decision maker for your retirement account, you have the ability to negotiate the interest rate, length or loan term, payment schedule and any other variable with your borrower.

Private Stocks or Private Placements

Google® and Microsoft® started out as private companies. If you are like the savvy investors who first invested in these companies then you will be glad to know that you can use Self-Directed IRAs to purchase private stocks or limited liability companies (LLCs).

Tax Liens

Tax liens offer high rates of return (8-50%) and are often used by Self-Directed IRA investors with small account values to grow their accounts.

Precious Metals

Financial advisors and successful investors agree that asset diversification is the key to a lucrative investment portfolio. Precious metals are among some of the more popular assets held within a Self-Directed IRA. With American IRA, you can invest in many different types of precious metals including gold, silver, platinum and palladium.

Single Member LLC (a.k.a. Checkbook IRA)

An investment strategy used by seasoned investors. The investor forms a LLC to be entirely owned by their IRA account and then elects to manage the LLC themselves. This gives the investor checkbook control over their IRA. Since this method means the investor pays for assets directly without the assistance of their Self-Directed IRA services provider, it is strongly recommended that investors consult with their professionals before employing this investment strategy.

Other Investments

The sky is the limit! Nearly anything you want to invest in can be done with a Self-Directed IRA. The IRS guidelines say what you cannot invest in, not what you can invest in.



Prohibited Transactions

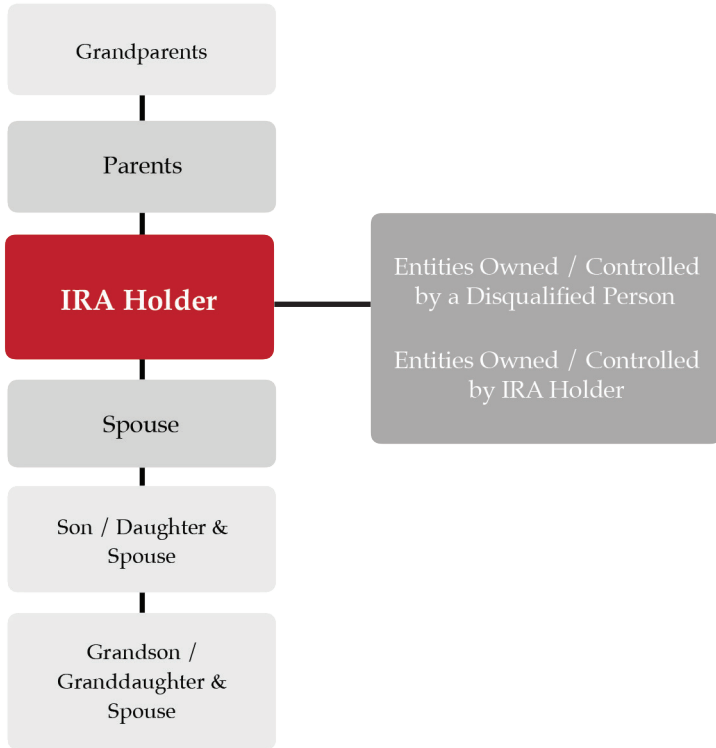
The IRS does not tell you what you can invest in. Instead, there are special rules within the Employee Retirement Income Security Act of 1974 (ERISA), that apply to retirement plan investments. The IRS says you cannot purchase the following in your IRA:

- Life insurance
- Collectibles (including works of art, rugs, stamps and antiques)
- Gems and jewelry
- Coins (except certain U.S.-minted coins)
- Alcoholic beverages

A prohibited transaction is any improper use of your IRA account by a disqualified person. A disqualified person is you, your spouse, lineal descendants and their spouses, lineal ascendants, entities they own or control or someone who provides services to the IRA account.



Disqualified Persons



Prohibited transactions include:

Receiving a current benefit from your retirement account and providing services to your retirement account. Anyone providing services to your IRA such as an attorney or CPA.



American IRA makes investing with a Self-Directed IRA easy!

It is easy to get started! Just follow these simple instructions or contact us directly. We are always available via phone at (866) 7500-IRA (472) or email at info@AmericanIRA.com.

How It Works



Open an American IRA Self-Directed IRA

Select the type of account that you would like to open.



Fund Your Account

Move money into your account by transfer, rollover or contribution.



Select an Investment

Find an asset you want your IRA to purchase and submit an Investment Form. American IRA will work with you and your professionals for a smooth closing.



Review the Instructions

Visit the “How it Works” page on our website to review the instructions for the asset you want to purchase and submit the paperwork required for the investment you have chosen.





Provide Payment Authorization

Submit Payment Authorization Forms for expenses that pertain to the asset your IRA has purchased.



Submit Deposit Slip

Deposit income generated from the asset your IRA purchased by submitting a Deposit Slip along with the funds.

Quality Control

At American IRA, we have adopted a checks and balances system for your funds.

- *No funds move from your account until they have passed our 5 point check:*
 1. Funds never move out of your account without a signed Investment Form from you. We call clients prior to final funds being released.
 2. Wire and ACH instructions are not implemented until you have signed them 'read and approved'.
 3. Our Investment Coordinator reviews all funding requests and verifies that you have signed in the appropriate places.
 4. The American IRA Director of Compliance receives the reviewed paperwork and verifies that funding documents are correct before wires, ACHs and/or checks are issued from your account.
 5. A member of senior management then compares the funding paperwork to the wires, ACHs and/or checks written and gives their final approval for the funds to be moved. Only senior management has the authority to give final approval.
- *Insurance*
 - American IRA carries insurance for: Errors and Omissions, Professional Liability and a Fidelity Bond.
- *Un-Invested Cash*
 - All un-invested cash is deposited into State and/or Federal banking institutions.
- *Employees*
 - American IRA employees must undergo and pass a thorough credit and background check prior to being hired.
- *Compliance*
 - Our team complies with the extensive and detailed requirements of IRS reporting and record keeping.
 - The Director of Compliance at American IRA reviews transactions you request to ensure they are properly titled 'for the benefit of' your IRA plan within IRS regulations.

Frequently Asked Questions

What is a transfer?

In a transfer, you are simply moving the funds from one institution to another. You never take possession of the assets.

What is a rollover?

A rollover is when you take a distribution from your IRA and then return it to another IRA within 60 days. It is also considered a rollover when you move assets from a qualified retirement plan into a Traditional, Roth, Simple or SEP IRA.

Is there a taxable consequence when I move my account?

With a transfer, there is no tax reporting required, there are no taxable consequences and there is no limit to the number of transfers you are allowed to do.

Is my contribution tax deductible?

Based on your income, some contributions to your pre-taxed Traditional IRA may be tax deductible.

Is there a way I can take my 401(k), Roth 401(k), 403(b) or 457(b) with my former employer and convert it to a Self-Directed IRA?

Yes, you can roll those funds over into a self-directed account or a self-directed qualified plan (if you are eligible to have a qualified plan). The best way to get started is to contact your previous employer and find out what their procedures are. Our staff provides personalized service, so please feel free to contact our office about any questions you may have.

What if my IRA does not have enough funds in it to purchase an investment?

Your IRA can borrow funds from another IRA, another person and/or a bank, as long as the loan is a non-recourse loan. You can partner with individuals, retirement accounts and companies. You can also partner with yourself at the time of acquisition.

How long does it take to transfer funds from my brokerage account to American IRA?

While the length of time it takes depends upon your current custodian, in general it usually takes 2-4 weeks to transfer an IRA from your current custodian to a new custodian. Contact your current custodian for their time frame.



AMERICAN IRA

Self-Directed IRAs and 401ks



NEW VISION TRUST
COMPANY

Custodian,
A South Dakota Trust Company

The Key to Your Financial Future Is Available.

Investing with self-directed retirement plans is easy.
Our team is looking forward to serving you.

Contact us:

866.7500.IRA (472) | info@AmericanIRA.com

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Scan here to download your
FREE Self-Directed IRA
Investors Guide.



BBB
Rating: A+

Accredited Since
1/12/2009