



***Liberate Your IRA***

**[www.offshoreira.com](http://www.offshoreira.com)**

# Retirement Plans Are Doomed!

The Final Attack On Your  
Retirement Plan Is Eminent!

# Twin Pincer Attack

- A classic battlefield maneuver is the pincer attack
- Many battles have been won using this 2 pronged vice like maneuver
- The Current Administration is now set to use the same approach to capture all retirement plans!

# Retirement Plan's Doomed?

- For years I have written about the reasons to take your retirement plan offshore
- Asset Protection
- Protection From a Falling Dollar
- Better Investment Opportunities
- Government Control or Confiscation

# Retirement Plan's Doomed?

- More recently I have focused on two major problems
- Nationalization of Retirement Plans
- Closing the Gates on Offshore Investments

# Twin Pincer Attack

- That's when it all fell into place!
- The Government has launched a twin pincer attack on your retirement plan

# Capture and Control

- The goal is simple yet frightening
- Capture all retirement assets
- Control what you can do with them and when you can use them

# Defense

- There are two attacks underway and they are both subtle
- The current administration wants to stop offshore investing, that much is clear
- Currently it is legal to take your retirement plan offshore



# The Native American Approach

- The Government was having a very difficult time defeating the Native Americans
- Someone came up with what was a brilliant strategy from a military perspective
- (It was a horrible injustice visited upon Native Americans)
- They decided to kill off the buffalo, which was an integral part of the Native American way of life as well as a key source of food
- Why fight a losing battle when you can do an end around?

# The FDIC Approach

- It is the same principle as killing off the buffalo
- Instead of fighting a losing battle to change the investment rules lets kill them with an end around

# The FDIC Approach

- The FDIC announced an audit of all IRA Custodians in 2010
- To the best of my knowledge this has never been done
- In advance of the audit they sent a letter to all custodians addressing areas of concern

# The FDIC Approach

- They include but are not limited to:
  1. Foreign Real Estate
  2. Foreign Companies
- And the relation to the risks the country represents....

# The FDIC Approach

- Offshore investments are clearly in the bulls eye
- The key language though is the risks they represent
- This means the FDIC can say if you allow clients to invest in these assets or countries it is very risky

# The FDIC Approach

- Risky Assets means the bank has to keep more assets on deposit which is very expensive
- I believe the FDIC's approach will be to make it very expensive to have these types of investments custodians will simply not allow them
- Custodians already have the ability to arbitrarily not allow you to make an investment even if it is permissible

# The FDIC Approach

- It is a brilliant move
- You can make it “risky” and expensive to allow for foreign assets thereby forcing custodians to only allow US investments
- Offshore investments become the buffalo of the retirement plan world
- Kill them off and stop offshore retirement plan investments

# Capture & Control II

- IRS FBAR FAQ's
- Acknowledge offshore retirement plans
- Clarified Custodial Reporting



# Defense

- This is a brilliant attack I will give them that
- It would be very tough to change the rules regarding how you can and can't invest your retirement plan
- Politically it would be long and drawn out just as the battle over health care has been

# The 2<sup>nd</sup> Arm of the Pincer

- The second attack is equally brilliant but it is much more of a political hot potato
- The Government is going to use the current financial crisis to “prove to you” they can manage your retirement plan better than you can
- “It’s for your own good”

# The 2<sup>nd</sup> Wave Nationalization

- Think I am kidding?
- There are multiple position papers already in the public domain
- There have been hearings before the House of Representatives where confiscation of retirement plans has been discussed

# Principles for a New Retirement Plan

- Universal Coverage- Everyone!
- Secure Retirement- Not a Gamble
- Adequate Income- The Czar Decides How Much
- Shared Responsibility- The Govt., Employers and Employees Together

# Principles for a New Retirement Plan

- Required Contributions- Plus Govt subsidized for lower-income(=taxpayer funded)
- Pooled Assets- Managed together no options for you
- Payouts Only at Retirement- except disability
- Lifetime Payouts- Lifetime Annuity Only.

# Effect

- Investment Restrictions
- Managed by the Czar
- Restricted withdrawals
- 100% exposure to the dollar
- Mandatory Contributions
- Higher fees

# The 2<sup>nd</sup> Wave Nationalization

- Basically the plan calls for a Retirement Plan Czar who would be responsible to invest everyone's money in a pooled account
- He or she knows better than you
- They would pay it out to you when you retire at their designated age

# The 2<sup>nd</sup> Wave Nationalization

- They would do it in the form of a lifetime annuity
- For the sake of example at age 70 they would begin to pay it to you and would do so over a 20 year period



# The 2<sup>nd</sup> Wave Nationalization

- I believe this is a subtle way to solve a number of problems at once
- Reduced social security payments
- But the big one is the deficit
- The perfect investment for the Czar that has been discussed would be 30 year Treasuries

# The 2<sup>nd</sup> Wave Nationalization

- Another brilliant move!
- Capture the assets
- Force them to buy treasuries so we have less reliance on foreign governments or the private sector
- Guaranteed cash flow for the IRS when you withdraw!

# Defend Yourself Now!

- It's not too late but I can't promise you how long you have to defend yourself
- How? Get all or part of your retirement plan assets offshore
- If I am wrong there is no downside you can still make the same investments from offshore if you really want to

# Defend Yourself Now!

- Personally I think once you see what is available you will want to diversify
- But the point is you could still do the same thing if you wanted to but from a safer place

# Defend Yourself Now!

- How do I get it offshore?
- Foreign Bank Account
- Foreign Annuity
- Foreign Real Estate
- Direct Offshore Investing
- Online Offshore Trading Account
- Foreign Corporation or LLC

# Process

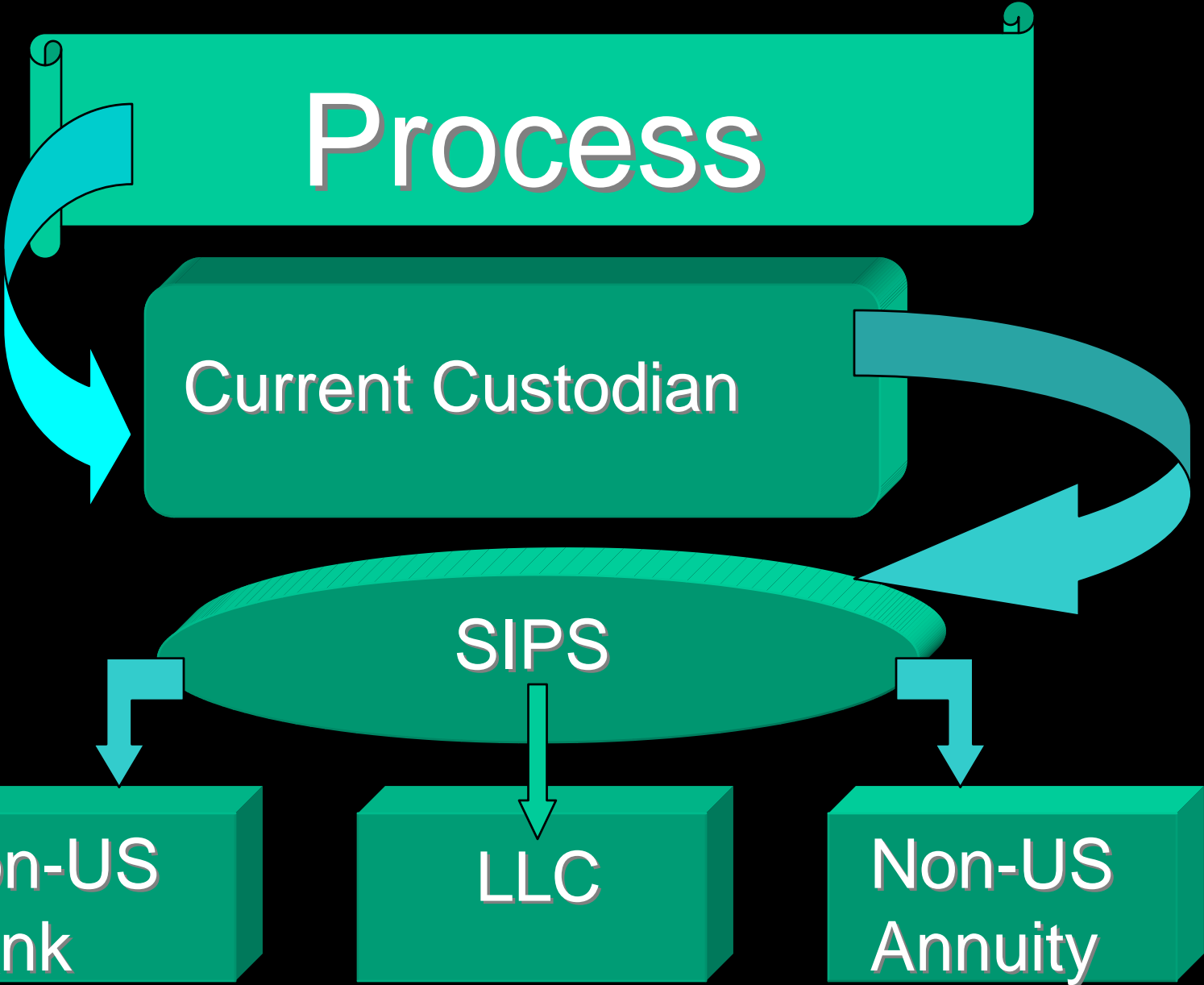
Current Custodian

SIPS

Non-US  
Bank

LLC

Non-US  
Annuity



# What Can I Do?

- Anything not specifically prohibited
- No Collectibles
- No Self-Dealing
- No Persons of Interest
- General Rule- Investment Purposes Only
- Personal Real Estate Use
- NO!

# Defend Yourself Now!

- I have written numerous articles discussing how you do this and the pros and cons of each
- Contact me if you want to discuss your situation and what might be the best approach for you
- Yes we are an IRA Administrator who allows you to do this
- Act now while you can before the Twin Pincers have you cut off!



# Purchase Real Estate In Your IRA



You can purchase both domestic and non-  
US real estate

# Real Estate

Can be virtually any type

Exceptions are- no personal use

No use for personal business

Except there are very exciting exceptions to  
the exceptions [www.dol.gov](http://www.dol.gov)

# IRC 590 Personal use

Prohibited Transactions

For Investment

No!

Custodian

IRS

Your Job

Honor System

**Now find the asset(s)  
you want your IRA  
to own...**



**"Buy Direction Letter for Real Estate" This describes the transaction in detail**



# Complete Purchase Agreement With IRA As Owner



# Custodian

Sends Funds To Seller

Signs all closing documents

Executes transaction



# Financing

Yes you can!

IRA is the Collateral

UBTI



# Ownership

Full or Fractional

In name of IRA

LLC or Corporation

49% by IRA Participant

No spouse or direct line relatives

100% by IRA

# Options for covering income and expenses

Hire outside property manager

Pay custodian to do it

Do it yourself

# Property Manager

Collects all rents

Pays all expenses

Send net proceeds as a profit to your IRA

May collect a “reasonable” fee to manage  
your IRA.

# Custodian



*Custodian can collect rents and pay  
all expenses*

# IRA Owner



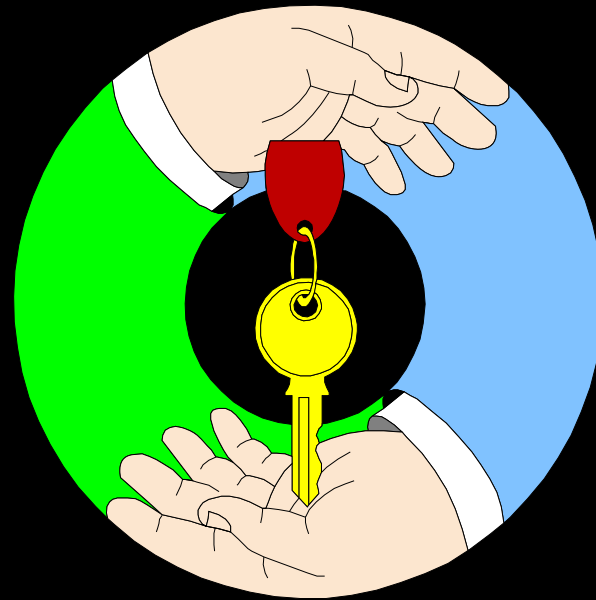
*Improvements and all expenses must come from IRA or pro-Rata*

# Sale of Property



*You may sell the property at  
anytime.*

# You May Keep The Property



*Client can keep the property and take it as a distribution, taxed at the "current value".*

# Potential Pitfalls

Timely Notice

Incomplete Paperwork

Ownership Issues

Non US Contact

Current Custodian

Trying to use an existing structure





[Lgrossman@offshoreira.com](mailto:Lgrossman@offshoreira.com)

*1-877-733-6815*

*1-727-286-6237*