ED SLOTT'S IRA ADVISOR

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Tax & Estate Planning For Your Retirement Savings

How to Move Inherited IRA Funds

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From an obituary featured in USA Today:

"Lou was a daredevil. His last words were 'Watch this!'"

Don't be a daredevil like Lou when it comes to planning your estate. The point of estate planning is to do it while you are still breathing so that you do not have to rely on your family, your advisors or the IRS to fix things up after the fact. But unfortunately, when it comes to IRA planning, mistakes are often found after the IRA owner dies and it is generally too late to fix them.

Do the planning proactively to avoid situations like this that may create angry or even litigious beneficiaries…

In this month's feature article, ***"IRS Allows Never Before Seen Post Death Fixes to IRA Estate Plans,"*** we highlight two recent cases where IRS allowed changes to be made after the death of the IRA owner. This is generally not possible, but in both of these rulings IRS allowed the post death correction of mistakes or omissions that would have created a great deal of hardship for the beneficiaries. These were both Private Letter Rulings (PLRs) so they can only be relied on by the taxpayers who requested the rulings, but they do give you a glimpse of how, in some cases, IRS can help correct faulty estate plans after the fact.

As an advisor, you do not want to be in a position of leaving things to the IRS to fix up. It is not only costly and time consuming, but there is no guarantee that IRS will bail you or your clients out. Do the planning proactively to avoid situations like this that may create angry or even litigious beneficiaries if planning mistakes cannot be fixed after the fact.

This month's guest IRA expert is Michael J. Jones, CPA, Partner, Thompson Jones LLP, Monterey, California. Mike's article ***"Moving Inherited IRA Funds"*** shows you exactly how to move inherited IRA funds, even when the IRA custodian may not be cooperative.

For more IRA information, visit our website at ***www.irahelp.com.***

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Guest IRA Expert

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Moving Inherited IRA Funds

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