



ED SLOTT'S IRA ADVISOR

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TAX & ESTATE PLANNING FOR YOUR RETIREMENT SAVINGS

Uniform Lifetime Table for IRA Owners (See page 5)

"I hear and I forget. I see and I remember. I do and I understand."
— Confucius, Chinese philosopher and teacher

Is April 1 Your RBD?

This month we follow the advice of Confucius and show you how to take Required Minimum Distributions (RMDs) so you can do it for yourself. If you turned 70½ years old during 2003, then you must take your first RMD by April 1, 2004. That is what the IRS calls your Required Beginning Date (RBD). From that date on, you'll have to take distributions from your traditional IRA every year whether you like it or not. Just to make sure you don't forget, the IRS now requires all of your IRA custodians (the banks, brokers and fund companies where you keep your IRA funds) to send you reminder letters and IRS receives a copy as well. You never want to miss a required distribution because it's a 50% penalty if you fail to comply.

This month's feature *"Taking Your First Required Minimum Distribution"* not only gives you all the RBD and

RMD basics, but also shows you how to make sure you withdraw the right amount by using my simple five-step IRA/RMD process. On page 5, you'll find the Uniform Lifetime Table. This is the IRS table that most IRA owners will use for calculating their RMDs.

Consider a Self-Directed IRA

IRA owners who want to take control of their IRA investments may want to look into self-directed IRAs (SDIRAs). This month's guest IRA expert is Tom W. Anderson, the founder, president and CEO of PENSCO Trust Company, which offers administrative and custodial services for SDIRAs. They also help IRA owners who wish to invest their IRA funds in real estate or other non-traditional IRA investments. Tom's article tells you everything you need to know about the world of SDIRAs so you can decide if they are right for you.



For more IRA information, visit our Web site at www.ira-help.com.

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— Ed Slott

WHAT'S INSIDE?

Feature Article

Taking Your First Required Minimum Distribution

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Guest IRA Expert

Self-Directed IRAs: Are

They Right for You?

By Tom W. Anderson,
PENSCO Trust Company

- What Is a SDIRA?
- What Kind of Assets Can a SDIRA Invest In?
- Real Estate Examples
- Important Rules Affecting SDIRA Transactions

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