ED SLOTT'S IRA ADVISOR

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TAX & ESTATE PLANNING FOR YOUR RETIREMENT SAVINGS

Turn Market Turmoil into IRA Tax Breaks

"Calamities are of two kinds: misfortune to ourselves, and good fortune to others."
- Ambrose Bierce (1842-1914)

For the financial markets, "fall" has been aptly named in 2008. In this month's issue we show you how to help ease your clients' pain with year-end strategies for immediate tax savings and long-term wealth building.

The so-called "Bailout Bill," known as the Emergency Economic Stabilization Act (EESA) of 2008 contains many little-noticed tax provisions, including the retroactive extension of the IRA charitable rollover. Our feature article ***"Charitable IRA Rollovers are Back!"*** gives you a review of the reinstated provision and how to help clients take advantage of it before year-end.

The market decline presents other year-end planning strategies that can be implemented to benefit your clients. Our article ***"Turn Market Turmoil into IRA Tax Breaks"*** highlights several of these including Roth IRA conversions and recharacterizations, net unrealized appreciation (NUA), required minimum distributions and 72(t) planning moves.

Take advantage of these opportunities to bail out your clients when they need help the most.

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

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WHAT'S INSIDE?

Charitable IRA Rollovers are Back!

The Emergency Economic Stabilization Act (EESA) of 2008 (the "Bailout Bill") was signed into law on October 3, 2008. Included among the numerous non-bailout related provisions is the retroactive reinstatement of the charitable IRA direct rollover provision which allows what the tax law calls "Qualified Charitable Distributions" (QCDs) from IRAs to qualified charities.

If you have clients age 70½ or older who are IRA owners or IRA beneficiaries and who are charitably inclined, they can fulfill their philanthropic intentions through their IRA, a tactic that is very tax-efficient.

Background on Giving IRA Funds to Charity

The Problem

Many IRA owners would like to tap their account for charitable donations. On the surface, this seems like a simple tradeoff. A client might think