

Solo401k.com

It's Your Money. Invest In What You Want.

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Let's Talk Retirement Plans

- Today we'll cover Solo 401k and Checkbook IRA
- This webinar is meant to be an introduction, not a comprehensive training since that would take several hours

Let's Talk Retirement Plans

- We want to introduce you to the power of controlling your own retirement funds so you can invest in what you want
- We'll cover as many questions as we can at the end of the webinar
- If you want to discuss your unique situation, we'll have a link for you to sign up for a free consultation

About Nabers Group

- Launched IRA LLC in 2003; Solo401k.com in 2006
- Consistent IRS approval of plan documents for 15 years
- Helped thousands of self-directed investors take control of their retirement funds



About Nabers Group



- Every team member has his own Solo 401k and invests with it!
- Our team works closely with the IRS and Department of Labor to ensure documents are updated on time, and we get the most up to date compliance direct from the source
- Clients in all 50 states

About Nabers Group

- We specialize in Checkbook Control
- You're in charge of your retirement funds, and how they are invested

Retirement Updates in Times of Coronavirus

- In addition to learning how to get control of your retirement funds, we also want to cover how retirement accounts have changed since the global pandemic
- Let's touch base on the CARES Act

CARES Act

- On March 27th, 2020, Congress passed the Coronavirus Aid, Relief & Economic Security Act and the President signed the act into law
- This groundbreaking piece of legislation dramatically altered how we think about and access our retirement funds

CARES Act

- What's in the CARES Act:
 - Most people know about retirement plan distributions, waiving RMDs and elimination of early withdrawal penalties...we'll get to those in a second
 - Let's also discuss what else is included in the CARES Act because there's a lot!

CARES Act

- Several provisions were understandably about healthcare and providing support to the population affected by the pandemic, including:
 - \$130 Billion allocated to hospitals
 - Add PPE to the Strategic National Stockpile
 - Provide grants for those researching COVID-19
 - Provide further grants for development of telehealth

CARES Act

- The economic relief to businesses was monumental as well:
 - \$500 Billion in Economic Stabilization Fund (meant for big businesses like airlines)
 - \$669 Billion in the Paycheck Protection Program (aimed at small businesses)
 - Expand the SBA Economic Injury Disaster Loans (EIDL) program

CARES Act

- The government tried to care for regular tax payers too, in the form of:
 - Increase Unemployment Benefits (needed since we have reached 45 million unemployed and counting)
 - Stimulus check for eligible families

CARES Act

- But, one of the most groundbreaking parts of the legislation was how taxpayers are allowed to access their retirement funds, or defer taxes if you need access to your retirement funds
- One example of this is that Required Minimum Distributions (RMDs) are suspended for 2020
 - Aimed to help reduce taxes for those in their golden years

CARES Act

- There are more provisions to cover, but first...
- Important Disclaimer: You must qualify to access these provisions
 - Most retirement plans will allow you to self-certify (but not all)

CARES Act

- You must have one of the following to qualify for distributions and increased loans:
 - Have been diagnosed with the virus SARS-CoV-2 or the disease COVID-19
 - Have a spouse or dependent diagnosed with COVID-19
 - Experienced financial hardship as a result of being:
 - Quarantined, Furloughed, Laid off, Reduced work hours due to COVID-19, Unable to work due to lack of child care due to COVID-19
 - Closed or reduced hours of the business the participant owns or operates due to COVID-19

CARES Act

- Clearly, many Americans have been adversely economically affected by the Coronavirus pandemic
- However, we don't recommend you utilize the following provisions unless you can actually legitimize you needed to access the funds due to hardship related to COVID-19

CARES Act

- This legislation is new. IRS Guidance is still developing.
- Could they try to go after people who said they needed funds and didn't?
Yes.
- So proceed thoughtfully

CARES Act

- Double your participant loan amount
 - Take out up to 100% of \$100,000 of your funds (whichever is less)
 - This is double the normal amount of a participant loan
 - Delay loan repayments one extra year

CARES Act

- Early withdrawal penalty (normally 10%) waived for distributions
 - Aimed to help you get access to your retirement funds, if needed without extra penalties
- Distribute up to \$100,000 from your plan and choose to:
 - Pay the taxes on the distribution over 3 years
 - Return the funds within 3 years and pay no taxes

CARES Act

- If you were adversely affected by the COVID-19 pandemic, this may provide a way for you to get access to your retirement funds
- Once you make a distribution, you can return the funds to another retirement plan
- That means if you can take an in-service distribution from your current plan (normally not allowed) due to Coronavirus, you can put the funds back into something like a Solo 401k or Checkbook IRA

Control Your Retirement

- Now let's get into how you can get your retirement funds into your control
- Once you have funds in your control, your options are almost unlimited

Control Your Retirement

- You can invest in any number of alternative assets, including:
 - Real Estate (single family)
 - Syndications
 - Commercial properties
 - Private Equity
 - Tax Liens
 - Gold & Silver
 - Crypto
 - ... and more

Establish Your Account

Our expert team will help every step of the way

Choose Your Deals

Your retirement funds can invest in almost any asset, including real estate

Fund Your Account

Rollover funds from another retirement plan or make a tax-deductible contribution

Invest!

Send funds to the closing table. The asset is titled in the name of your retirement plan

Solo 401k Qualifying Business Activity

To qualify for the Solo 401k plan, you'll need:

- The presence of self-employment business activity
- The absence of full-time W2 employees in that business (other than you and/or your spouse)

Qualifying Business Activity

- Your small business can be any structure including:
 - Sole proprietorship
 - Single-member LLC
 - Multi-member LLC
 - S-Corp
 - C-Corp
 - Partnership

Qualifying Business Activity

- Full time employment OK
- Part time OK
 - It's OK to have a full-time “normal” job in addition to having a small business on the side to qualify for your Solo 401k

Qualifying Business Activity

- You can have a 401k plan at your day job and have your Solo 401k plan at the same time

Qualifying Business Activity

- Common examples:
 - Realtors
 - Attorneys
 - CPAs
 - Software Developers
 - Consultants
 - Writers
 - Amazon resellers

Qualifying Business Activity

Qualifying small business activity even includes:

- Driving Uber / Lyft part-time
- A small side business (part-time or weekends are acceptable)

Fund Your Solo 401k

You can fund your Solo 401k
one of two ways:

1. Rollovers from another retirement plan
2. Contributions from your business earnings

Fund Your Solo 401k

Rollovers:

- Roll in funds from almost any other retirement plan
- Including: Traditional IRA, other 401k plans, 403b, TSP, 457, pension plans
- Direct rollovers generally do not cause a taxable distribution

Fund Your Solo 401k

Contributions:

- If your small business is making profit, you can contribute some of that money into the Solo 401k
- Contributions can be pre-tax (tax deductible) or after-tax (Roth)

What if I Can't Do the Solo 401k?

Don't worry if you don't qualify for the Solo 401k plan

There is another option so you can get control of your retirement funds!

With a Checkbook IRA LLC, you are in charge of traditional or Roth IRA money

Our expert team will make the entire process seamless for you

Checkbook IRA LLC

How it works:

- Our team do everything so you have full checkbook control
- The new account can be a traditional IRA or Roth IRA

Checkbook IRA LLC

- We'll also form a Special type of LLC owned by your IRA
- This LLC is not a business
- This LLC is an asset of your IRA that you control

Checkbook IRA LLC

- Your IRA funds are invested into the LLC
- You manage the LLC and decide where funds are invested

Checkbook IRA LLC

- Our team will help with everything, including:
 - Establishing your new IRA
 - Forming the LLC
 - Opening an LLC bank account you control

Checkbook IRA LLC

- Your Checkbook IRA LLC can invest in real estate

Real Estate Deal Flow

Once you establish your self-directed retirement account, investing in a deal is easy.

Our team will help you fund your 401k or IRA from rollovers and/or contributions.

Funds are then deposited into your 401k or IRA LLC bank account.

Once you identify a deal, send funds from the 401k or IRA LLC bank account to the closing table.



Real Estate Deal Flow

Yes, both the Solo 401k and
Checkbook IRA LLC can invest in real
estate!

Any type of deal is on the table,
including apartment syndications,
commercial properties, and
single-family rentals.



Prohibited Transactions - Don't Break the Rules!

It's important that you and your retirement deals remain separate.

A good rule to remember: **If your retirement funds are in a deal, you aren't!**

If you are buying real estate with retirement funds, make sure to have an unrelated third party complete repairs and maintenance on the property. You are not allowed to put in any sweat equity to the deal!

Refer to [Internal Revenue Code Section 4975](#) for more information

Solo 401k Reporting Requirements

No Tax Return for 401k Plans

Form 5500-EZ

Due July 31st each year

Only file if you had \$250,000 or more in your plan as of Dec. 31st the previous year

Keep Good Records

Always keep track of funds coming into the plan from rollovers/contributions and funds going out of the plan for loans, distributions, and investments

Solo401k.com Service & Support

As an IRS-approved document provider, it's our job to ensure your retirement plan documents are updated with the latest document releases from the IRS.

We pioneered the self-directed investing industry and have been helping investors for over 15 years.

Our clients have access to free trainings and unlimited lifetime support to get the most out of your checkbook control plan

Getting Started - Solo 401k

Our Solo 401k set-up fee is \$399, and that includes everything.

The annual maintenance fee is \$99 per year, which includes all document updates, amendments, and restatements from the IRS.

We collect the first year of annual maintenance upon setup so your total is \$498 flat.

Getting Started - Checkbook IRA LLC

Our Checkbook IRA setup fee is \$895 + filing fees, and the annual maintenance fee is \$325.

The fees are higher because the Checkbook IRA LLC has more moving parts, including an IRA custodian and LLC that needs to be kept active.

Special sign-up link for Webinar attendees!

Go to:

www.Solo401k.com/greystonecap

Contact Us!

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Have questions?

Get a free 1-on-1 consult:

<https://Solo401k.com/consult>

