

IRA LLC Checkup Checklist

If you have an IRA LLC, it's important to routinely check your account, update your information, communicate with your IRA custodian, and be aware of annual responsibilities. The following 5 checkup items will allow you to protect yourself against identity theft and ensure that your account is current, accurate, and in order.

✓ IRA ACCOUNT STATUS

It is a good idea to log in to your account periodically to view or download statements and ensure everything is up to date. You should also check to make sure that your cash balance meets the minimum balance requirement (varies based on your custodial institution) and confirm that your contact information is current.

✓ ANNUAL VALUATION

It is your responsibility to provide your IRA custodian with an updated statement of fair market value for your LLC entity. The value should represent the sum of all assets held by the LLC – effectively a balance sheet summary. Your custodian should reach out to you in November or December for this information. If you haven't heard from them by December 10th, contact the company to make sure your contact information is correct and obtain a valuation form.

Real estate can be valued with a current Broker Price Opinion if you are managing your own account, and are under the age of 71. If you are over 71 ½ or have an inherited account subject to Required Minimum Distributions, the valuation form will need to be signed by a licensed professional such as a CPA or real estate appraiser.

✓ REQUIRED MINIMUM DISTRIBUTIONS

If you are 70 ½ years of age or older and have a tax-deferred IRA (non-Roth), or are holding a non-spousal inherited account, you are required to take a minimum distribution amount from the account each year. Your end-of-year statement from the previous year should indicate how much you need to withdraw before December 31st of the current year. Your IRA custodian can assist you with your distribution which will be reported and routed through the IRA account.

Don't wait until the last minute, as it can take a week or two to route cash from your LLC to the IRA and have the transaction processed. Failure to take a required distribution will result in a 50% tax penalty.

✓ IRA ACCOUNT BENEFICIARIES

Reviewing your IRA account on a regular basis will ensure that your beneficiary designations are current and submitted properly. If you want to change beneficiaries, or if a current beneficiary has had a life change such as marriage and a name change, be sure to provide your IRA custodian with the updated information.

✓ CONTACT INFORMATION

In order to receive all important notices regarding your account, make sure you update all parties associated with your IRA LLC if you change your address or primary email address. You'll want to update Safeguard Advisors, your IRA account custodian, the state where your IRA LLC is registered, banks, insurance companies, and any other vendors your LLC does business with.

Getting into the habit of routinely checking on your IRA LLC will help you stay ahead of deadlines, protect your assets, and have a clear idea of the status of your account.