ED SLOTT'S IRA ADVISOR

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Tax & Estate Planning For Your Retirement Savings

New IRA Tax Law Chart

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Change is the law of life. And those who look only to the past or present are certain to miss the future.

-John F. Kennedy, 35th President of the United States, (1917-1963)

In this issue we continue our coverage of the Pension Protection Act of 2006. All of the provisions covered contain technical rules and effective dates that advisors will need to know in order to help qualifying clients take advantage of them. Our feature article includes details on three more provisions in the new law. The first two are new exceptions to the 10 percent penalty for early distributions for active reservists and public safety employees.

The third provision allows tax refunds to be automatically deposited to IRAs. This begins next year and advisors will need to pay close attention to make sure that the tax refund going to an IRA is being credited to the correct year.

As an added resource, see our chart on page 4 that includes the key provisions and effective dates of the Pension Protection Act of 2006, the Tax Increase Prevention and Reconciliation Act (TIPRA) and the Heroes Earned Retirement Opportunities (HERO) Act. Use the chart as a handy reference guide to the IRA and plan provisions of these three 2006 tax acts.

October is a big month for key IRA actions and our article, ***"Important IRA Deadlines for October"*** alerts you to the deadlines for Roth recharacterizations, trust documentation for inherited accounts and establishing a SIMPLE IRA. Missing any of these dates can have severe consequences so if these apply to your clients, check them now.

Continuing with our coverage of the Pension Protection Act of 2006, this month's guest IRA expert is IRA All Star Natalie Choate and her article ***"IRA Transfers To Charity Under The New Tax Law"*** gives you all the details on the new provision allowing lifetime IRA transfers to charities. The provision is effective right now and expires at the end of 2007.

Natalie Choate's new book is here!

Natalie has just released a new edition of her IRA classic ***"Life and Death Planning for Retirement Benefits"***, 6th Edition, 2006. The book is completely revised for the Pension Protection Act of 2006 and includes numerous other updates. Every advisor who works with clients who have retirement accounts must have this book and we have included the ordering information for you on page 7.

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

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Guest IRA Expert

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