Financial Success Institute
Health, Wealth, and Family

Asset Management Starts With Asset Protection

How Super Trusts Work

January 9th, 2012

A Super Trust is a bit of a different animal from a land trust, living trust or typical "offshore trust".

And thank goodness.

How Super Trust work : Just like the pollens sticking to the butterfly, a Super Trust will stick your assets away for protection Photo Courtesy of http://www.flickr.com/photos/33465428@N02/

I got TONS of emails about it and questions so I am going to answer a few quick questions and then I've got a really good five minute video for you.

———

Can a Super Trust stop foreclosure?

————

No, it can't. A creditor who has a secured interest in your property can pursue foreclosure even if the property is in a Super Trust.

—

How come my lawyer hasn't heard of Super Trusts?

—-

They are pretty leading edge in some ways, but quite old school in other ways.

Make sure your lawyer is familiar with the concepts in the video and that they work in your state and for your situation. Don't listen to me!

—

I want to put x or y into the Super Trust, can I do that?

—-

People want to put a boat or a car or a house, or an apartment complex into the Super Trust.

Yes you can put these things in but the real issue is HOW you do this because that is where a Super Trust shines.

Watch This Video on How Super Trusts Work

And please leave your comments or questions after watching the video.

Warmly

Richard Geller

This material is NOT available anywhere else and you will be WAY ahead just watching the video

Free instant course worth $97 -- Yours Now By Joining our Acclaimed Newsletter

Help they're foreclosing, how do I protect my OTHER properties?

January 9th, 2012

Okay, and here is an important message.

Distasteful topic but one we need to talk about, you and I. **They're foreclosing on you.**

And you are in a state where they can come after you. Or they *will* come after you because of a personal guarantee.

Tons of emails with this problem.

You've got property A and B that are under water. But property C is paid for and therefore a TARGET for the banks to go after. Can you protect property C?

First, let me tell you that you **can't 100% protect anything.**

We just do our best and often that is enough.

We discourage the other side, the banks, from going after us. We make it difficult for them.

But we can't make it impossible for them to get at that free and clear property.

So here's how we can do it. How we can raise the odds.

Protecting your other properties from foreclosure must be done correctly through a Super Trust Photo Courtesy of http://www.flickr.com/photos/colleen-lane/

We set up a **Super Trus**t.

That has to be done a certain way...but for this example, we'll ignore HOW to set it up, and ASSUME it's correctly set up.

K?

Now here's step 2. Remember this well:

NEVER NEVER NEVER "put" anything into a Super Srust...

...without **FIRST getting "consideration."**

The Super Trust must PAY for whatever you put in.

You SELL stuff to the Super Trust.

In this case, you SELL your paid for property Property C.

The **Super Trust** pays you for Property C.

Now you've made it much HARDER for the banks to go after Property C.

Because you **sold Property C for legitimate consideration**.

What is consideration? Paying something "commercially reasonable" in return.

So the **Super Trust** must pay you something commercially reasonable in return.

Like a private annuity. A guaranteed stream of income for the rest of your life, or your kids' lives.

It all has to be set up right. And it's not guaranteed. But it sure makes it that **much harder** for a bank to go after you.

The usual way these things are set aside is as a "fraudulent conveyance."

But if you got **consideration**, if you got paid commercially reasonable amounts, then that is not necessarily a strong argument.

The lender has to prove that you impoverished your estate by the transfer.

But if you received **a fair annuity** for it, then that argument isn't as strong.

Will you prevail?

Maybe. Maybe not. But you will be in a MUCH better position.

Especially if you did what you did for estate planning purposes, and **NEVER to defraud a creditor.**

And if you did it ONLY with the guidance of a good attorney. The sooner you adopt this the better.

Because...

...the BIG takeaway is this:

Set this up FIRST **before anyone sues you.**

Before there are clouds on the horizon even.

Warmly

Richard "Don't Let Others Get Your Stuff" Geller

P.S. Remember I'm not a lawyer and you can't depend upon my over simplified info for anything. You MUST seek a competent lawyer in your area who knows the laws of your state and your situation. I may be completely wrong here so do NOT listen to me without checking it out for yourself.

Please leave a comment or question at FinancialSuccessInsitute.org. I'll try to answer your comment or question. Thank you

401K Asset Protection

January 9th, 2012

Can a 401K Protect your Assets Against Creditors and the IRS

Can a 401K can provide great asset protection? Can a 401K protect you against the IRS if they try to seize your cash? And can an IRA protect your assets against creditors and the IRS?

I'll answer that in this article.

The IRS can place a lien on your property whenever they want. The lien applies to all your property, both real estate and cash and personal property like cars or even jewelry.

So if you owe the IRS and they want to, they can churn out a tax lien and slap it on you with no real due process.

To take your stuff, the lien has to graduate to become a levy. A levy action is when the IRS actually seizes property that it has liened.

Can the IRS slap a lien on your IRA? Can they slap a lien on your 401K?

If your 401K is under pay status, the IRS can take your 401K money and property

Your 401K is in pay status if YOU can access the 401K proceeds.

That's the key. The IRS doesn't have "super powers." If YOU have the power to take cash or distributions from your 401K or IRS, so does the IRS. They can step into your shoes and do whatever YOU have the power to do.

So if YOU can't draw money out of your IRA or 401K, neither can the IRS!

This is where a 401K beats an IRA bigtime. An IRA is not a qualified retirement plan for most purposes. And a 401K has protection as a qualified retirement plan that an IRA does NOT have.

So the trick here is

1. Convert your IRAs to a 401K

2. Make sure you CAN NOT get to your 401K

How to protect your 401K so it isn't in pay status and the IRS can't touch it

Your 401K can be NOT in pay status and then the IRS can't get it. Neither can creditors. Remember, this ONLY applies to 401Ks and similar "qualified retirement plans", NOT an IRA.

If you are not yet 59 1/2 years old, you can make sure your 401K is NOT in pay status. You are NOT allowed to take money out of the 401K and neither is the IRS.

Lock up your 401K against the IRS. Photo courtesy of http://www.flickr.com/photos/tyrian123/

That achieves extremely high asset protection via a 401K. If you have IRAs, convert them into a 401K, which you can usually do, and then you can protect everything in the IRAs which are now in the 401K and until you are 59 1/2 you can keep everyone's mitts off your cash.

What happens at 59 1/2 so your 401K is protected against creditors and the IRS?

Once the IRS decides what you owe, they have 10 years to collect it. If they can't collect it, it's gone! You don't owe it. So it's a waiting game. Wait them out and after 10 years from when they decide what you owe, you owe nothing more.

If you are older than 59 1/2 and less than about 70, you can often keep everyone from accessing your 401K. The same techniques with a few variations work.

There is no asset protection better than a 401K if it's set up right.

How to form a 401K so it protects your assets and so you can invest in whatever you want

You can roll your IRAs and your spouses's IRAs into a 401K, a solo 401K. All you need is a small part time business. It doesn't even have to make a profit. It can be a network marketing thing, or a part time consulting business, or renting out a room in your house. Whatever.

Now you can have ALL your retirement funds in one place. And they are in one 401K and that 401K can invest in all sorts of things.

Real estate.

Notes and loans.

Gold coins and silver coins (that you can hold in a safe or at the bank or bury.)

Stocks and bonds and options and futures.

And much more.

About the only thing you can't own in your 401K is artwork, collectible cars, that type of thing. And you can't live in a house that your 401K owns, although there are ways around this to a great extent.

And the power of a 401K may be greatest not just in protecting your retirement against the IRS and against creditors, but in the fact you can borrow up to $100,000 for a joint 401K or $50,000 in single solo 401K, and use those borrowed funds for anything and pay it back to YOURSELF with interest over five years and sometimes longer.

It doesn't get better than this. Remember to use a good consulting firm to set up your 401K, make sure you have the type of 401K that lets you write checks and not have to get someone's permission to invest. And make sure that you don't have the ability to pay yourself from the 401K. Then the IRS can't get the money either.

Disclaimer: check out everything you read here with a lawyer. I can't be responsible.