



The Complete Self-Directed IRA Guide for Investors

Unlock control, diversification, and opportunity beyond the public markets



How to Unlock **Control**, **Diversification**, and **Opportunity** Beyond the **Public Markets**

Your Retirement, Reimagined



Most retirement accounts are built on default settings. Funds roll from a former employer's 401(k) into a traditional IRA, invested automatically into public market assets. It's common. It's easy. And for many investors, it quietly limits what's possible. The question isn't whether your retirement is invested. **It's whether your retirement is positioned.**



Does Your Retirement Strategy Operate on Default Settings?

If your retirement capital is concentrated in stocks, bonds, or mutual funds, you may be exposed to a single system of risk: **public market volatility.**

Diversification inside public markets is not the same as diversification across asset classes. When markets move together, correlation becomes concentration.



The Hidden Cost of the Status Quo: Opportunity

The most powerful investments are often the ones investors already understand. Real estate you've owned. Businesses you've helped grow. Private lending structures you've used personally. Yet retirement dollars are often excluded from these opportunities —not by law, but by structure.

📄 **Key insight:** IRS rules do not restrict asset classes nearly as much as most custodians do.



What Is a Self-Directed IRA?

A Self-Directed IRA (SDIRA) is an IRA that allows the account holder to invest in a broader universe of assets beyond traditional public securities. The tax treatment remains the same as a traditional or Roth IRA. **What changes is control.**



What You Can Invest In

A self-directed IRA can hold many alternative assets, including but not limited to:

Real Estate

Rental, multifamily, land, syndications

Private Lending

Private lending and notes

Private Businesses

Private businesses and private equity

Precious Metals

Precious metals meeting IRS fineness standards

Cryptocurrency

Cryptocurrency through compliant structures

Alternative Funds

Alternative and specialty funds

These assets often provide non-correlated returns and may offer inflation resilience, income, or asymmetric upside.

What the IRS Actually Says

The IRS defines prohibited investments narrowly. Under IRC §408, IRAs may invest in nearly any asset except:

Life Insurance Contracts

Not permitted in IRAs

Collectibles

IRC §408(m), including art, rugs, antiques, most coins, and alcoholic beverages

Most restrictions apply not to assets, but to transactions.



Understanding Prohibited Transactions

IRC §4975 prohibits transactions between an IRA and "disqualified persons," including:

-  **The account holder**
-  **Spouses**
-  **Lineal ascendants or descendants**
-  **Entities they control**

Common prohibited transactions include self-dealing, personal use of IRA assets, and improper lending. **The asset itself may be allowed, but the way it's used matters.**



Control Without Crossing the Line

Many investors use an IRA LLC or IRA Trust to obtain "**checkbook control,**" allowing faster execution and reduced administrative friction.

The structure must be established and maintained correctly to preserve tax-advantaged status. Heritage IRA specializes in setting up and administering these structures with precision.

Traditional vs Roth Self-Directed IRAs

Traditional SDIRA

- Contributions may be tax deductible
- Growth is tax deferred
- Distributions taxed as ordinary income

Roth SDIRA

- Contributions made with after-tax dollars
- Qualified distributions are tax free
- Powerful for long-term growth assets

Both structures offer the same investment flexibility.



Funding a Self-Directed IRA

Self-directed IRAs can be funded through:

01

Rollovers

Rollovers from former employer 401(k), 403(b), or TSP plans

02

Transfers

Transfers from existing IRAs

03


Annual Contributions

Annual contributions within IRS limits



Why IRA Company Choice Matters

Self-direction requires more than permission—it requires infrastructure. Heritage IRA acts as your administrative back office, ensuring assets are titled correctly, funded properly, and maintained in good standing. We combine expert guidance with technology-driven execution so you can act on opportunity without delay.

 **Infrastructure matters:** The right partner ensures your assets are titled correctly, funded properly, and maintained in good standing.

From Passive Holder to Active Capital Allocator

Self-directing your IRA isn't about abandoning public markets. It's about aligning your retirement capital with what you understand, believe in, and want to access—on your timeline.

Why Investors Choose Heritage IRA



Hands-on Expertise

Hands-on expertise from account setup through execution



Complex Investment Support

Support for complex alternative investments



Fast Digital Workflows

Fast digital workflows built for private markets



Clear Guidance

Clear guidance through IRS rules and structures

Your strategy deserves a partner that moves at the speed of opportunity.

Take the Next Step

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