

Inherited IRA Special Needs Trusts

Thank you for attending Stetson University's Special Needs Trust Virtual Conference.

Oppenheimer & Co. Inc. is among the few firms that will custodian and domicile inherited IRA's intended to qualify as Special Needs Trusts (d)4(a), under IRS (Private Letter Ruling) PLR 2006 200 25. One of our areas of expertise is the custodianship and management of SNT accounts on a minimal fee basis (0.9% to 0.6% annually). *Most importantly, we keep our clients compliant with the **Uniform Prudent Investor Act**.*

This is how our process works

It starts with a regular IRA custodian to IRA custodian transfer. Once the account is here, a person with a guardianship (or power of attorney) instructs us to move the assets from the incapacitated person's inherited IRA to a SNT IRA. We do *not* move funds directly into the SNT, because the transfer would become taxable at that point.

If there is no guardianship, one needs to be established. If an RMD is required, we can accept a signature from the SNT Trustee to move the RMD from the inherited IRA to an account at Oppenheimer for the SNT.

We also secure a Letter of Authorization from the guardian. The LOA instructs us that, upon the advice of independent legal counsel, the guardian instructs us to transfer the assets from the inherited IRA to the SNT IRA. These LOAs are a key component of the process and include standard indemnity language.

Our process provides for a non-taxable transfer that can avoid impacting eligibility for any needs-based assistance being received. Our team can also assist in reducing bonding costs by blocking and restricting accounts in court supervised cases.

Please feel free to use us as a resource.

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