

Title: IRA DRS YES! IRA DRS YES! Here's how I did it

Author: winebutch

Created 2021-11-25 17:00:53 UTC

Permalink: /r/DDintoGME/comments/r211x5/ira\_drs\_yes\_ira\_drs\_yes\_heres\_how\_i\_did\_it/

Url:

[https://www.reddit.com/r/DDintoGME/comments/r211x5/ira\\_drs\\_yes\\_ira\\_drs\\_yes\\_heres\\_how\\_i\\_did\\_it/](https://www.reddit.com/r/DDintoGME/comments/r211x5/ira_drs_yes_ira_drs_yes_heres_how_i_did_it/)

Hi DDintoGME! I have never posted here, but was asked to put this one up. I hope it helps demystify the IRA DRS process. This is for US apes - I am not sure how the process may or may not work elsewhere.

**\*\*Any US ape can DRS an IRA as an IRA\*\***

After [u/youuniversawme](<https://www.reddit.com/u/youuniversawme/>)'s multiple posts I thought it was important to show that other apes are also DRSing IRA. I followed their steps exactly less than two weeks ago (early Nov). My IRA is now set up at CS with login, etc, though I have not received the paper confirmation yet for posting proof. It took 3 business days for the broker to broker IRA transfer. And another 3 business days for the shares to show up in CS.

Anyone can DRS an IRA as an IRA – you just need to dial in the details to be sure it is not a taxable event. This needs more visibility – if you are doing this or have done it, comment, post and help us get to a tipping point where information is so widespread that apes can feel confident taking action if they so choose.

**\*\*If you are at all unclear on tax implications - contact a CPA or Tax Attorney - this is not financial advice. This is just what I did.\*\***

[(yes, i understand Apex was involved in the Jan fuckery...see my comments below on why I still went forward with this. tl;dr DRS is the way...)](<https://preview.redd.it/kv0fuleotr181.png?width=640&format=png&auto=webp&s=31cf212f14e4504571a8178620b0fa39e89ccfb1>)

**\*\*SOME BULLETS\*\***

\* I followed the apes that came before

\* **\*\*GO READ\*\*** [u/youuniversawme](<https://www.reddit.com/u/youuniversawme/>) posts. Also, shout out to [u/The\_Kudzu]([https://www.reddit.com/user/The\\_Kudzu/](https://www.reddit.com/user/The_Kudzu/))

1. I would post the links to this info, but I think I will get bonked by automod. There are about 5 different posts and updates that have incredible detail on the process. Also search comments.

\* The key is having a self directed IRA in a brokerage that will be custodian of your account when you transfer to CS. Ally does it, also one called Axos but AS FAR AS APES KNOW SO FAR none of the usuals do (No for TD, Vanguard, Fidelity, etc). Others do it, but may charge set up fee, monthly fee, etc. Ally seems to be the cheapest fee for this service. – with a per transaction fee of \$115. I sent xxxx shares over at one go.

\* My understanding is this process is NOT a taxable event. It is moving shares from broker to IN KIND account at CS via the DRS Profile System. (this language is key) I've searched far and wide, heard from other apes who have consulted with CPA and tax lawyer and chatted with CS, (though CS will vaguely affirm, but will mostly tell you to consult with a tax specialist.) that this type of share movement is NOT a taxable event. I could be wrong, but have enough confidence to pull the trigger after reading , reading, reading. (90% of my shares are in IRA and I want to keep my retirement tendies safe.)

\* Ally uses Apex as custodian which may raise red flags for people who know that Apex was part of the fuckery in January. See below comment for clarification.

\* I CAN move shares back to broker to sell. (For TDA, where I have an account, I can use [this form]([https://www.tdameritrade.com/retail-en\\_us/resources/pdf/TDA100557.pdf](https://www.tdameritrade.com/retail-en_us/resources/pdf/TDA100557.pdf)).) I CAN also sell from CS with an overnighted letter (and medallion stamp needed). I CAN also ask CS to move shares to ANY broker (in-kind account, so I better have an IRA set up at said broker) with a letter of instruction with medallion stamp. AFAIK, one cannot sell IRA shares via the online portal.

\* Any IRA sales via CS will likely be a disbursement and a taxable event, though I can rollover the funds into an IRA anywhere w/in 60 days (one IRA rollover allowed per year, I believe) - Contact a CPA or Tax

Attorney if you are at all unclear. If I move the shares back to broker first, then sell within my IRA, it is not a taxable event.

**\*\*A NOTE ON APEX AS CUSTODIAN – I DID A HELLA LOT OF READING AND DECIDED TO GO FOR IT\*\***

A decision had to be made between potential fuckery and DRS and I chose DRS. I may be paranoid but the what ifs are getting to me – what if all brokers go tits up, what if dividend is only for DRS shares, what if “they” decide to disappear all rehypothecated shares to end the saga? Is it worse to have all rehypothecated shares in my broker when the float is locked or have my shares DRS with a custodian that pulled some fuckery in January? I personally think Apex did not instigate and was directed to pull the fuckery in Jan, and since that has been exposed, if they want to survive what is potentially coming, they won't be pulling any more shenanigans. Maybe it's hopium, but that's what I am going with.

**\*\*There are potential outcomes I'm sure I can't imagine, but from what I've read, the custodian can't do anything without my authorization. I decided it's the right path for me.\*\***

Here is a note from [u/youuniversawme](https://www.reddit.com/u/youuniversawme/) on what the role of custodian vs you is regarding touching your directly registered shares:

<https://preview.redd.it/gire6bmutr181.png?width=651&format=png&auto=webp&s=4176b721a84603132364096713aad1393488ffd4>

**\*\*THIS IS WHAT I HAVE DONE SO FAR:\*\***

\* Opened a Self Directed IRA at ALLY Invest - I had to open the same account I already have, mine was Traditional IRA

<https://preview.redd.it/1mmlrd8ytr181.png?width=409&format=png&auto=webp&s=750fc74c691d933598be85fe0d4121dc819c9f32>

\* I used the Ally interface to ACATs transfer Traditional IRA shares from an IRA account in Vanguard to an IRA account in Ally – this is not a taxable event. (Also, no fee for partial transfer – I just left some cash in the old account and moved all shares.)

\* Sent the below letter 11/12 ~~via the Document Uploader~~ attached to an email to [support@invest.ally.com](mailto:support@invest.ally.com). I had to sign it and scan it. I copied from youuniversawme - feel free to copy mine!

[(NOTE: I could NOT get the online document loader to work on the Ally website. I chatted with an agent who said as long as you get the green check mark, you are good. I did get the green check mark, but no confirmation by email and the document never appeared in their system. I tried three times from different browsers. Another agent told me they only grab the documents once a day, \which I find hard to believe for a financial institution that deals with time sensitive material daily.) I checked again the next day to be sure, and still no upload. So I sent via email as attachment and got a email confirmation in less than an hour\)](<https://preview.redd.it/ot9yydw1ur181.png?width=574&format=png&auto=webp&s=66bb37596b181dddab9ab59bb2474e0d38ff9c9>)

\* And then I waited....and then I waited....5 days

1. Like with individual account, CS will set up the new account and send a snail mail letter with the registration info. BUT you can find it via the online portal with your SSN.

\* On 11/17 – 5 calendar days later, 3 business days!! – I find my account online, create a new login/password and see it is APEX as Custodian FBO (for benefit of) ME IRA Account #... with all my xxxx shares. Huzzah!

<https://preview.redd.it/3jexia56ur181.png?width=649&format=png&auto=webp&s=905901bb004c6122b8e06c64fe3aa75c1f8cda4>

**\*\*Ta-Da! MY IRA SHARES ARE NOW DIRECTLY REGISTERED (removed from DTC).\*\***

My bottom line is that DRS IRA seems like a better option to me than leaving all shares in broker where I know my shares are likely rehypothecated and definitely not in my name. Once the IRA shares are in CS, I can initiate moving my shares to ANY in kind IRA account from the CS side or apparently from the broker side. I can request the shares to go to Vanguard or TDA or Ally (my current brokerages) from CS via the DRS Profile System, bypassing the custodial account. In turn if Apex or Ally go tits up, my shares are still mine in DRS, they cannot liquidate them for their benefit (they might try, but I have final say so per CS) and I can move them to another custodian or broker when I want to sell.

**\*\*REPEAT FORM ABOVE:\*\***

DRS IRA has been done in full and complete BOTH WAYS (i.e. moving to CS and moving back to broker) with snail mail letter (via CS) and using an e-form (via TDA) by [u/youuniversawme/](<https://www.reddit.com/user/youuniversawme/>) ...very detailed and thorough posts – they are on other subs, but go find them...they are a goldmine of info.

**\*\*Be the change you want to see in the world. Go forth and DRS!\*\***