

Title: The IRA Custodian Overview

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The IRA Custodian

There are several types of individual retirement accounts (IRAs), but they all have one thing in common. By Internal Revenue Service (IRS) decree, they must have a custodian. Basically, an IRA custodian is a financial institution that holds your IRA account investments and sees to it that all IRS and government regulations are always adhered to.

It's not the IRA custodian that makes the event untaxable or taxable, it's the IRS rules that makes an event taxable or untaxable. All custodians must follow IRS rules.

Charters of IRA Custodians

****An Integrated Online Brokerage who is an IRA Custodian****

- Can trade publicly traded securities like stocks or bonds, as well as mutual funds or ETFs
- Can hold publicly traded securities like stocks or bonds, as well as mutual funds or ETFs
- Can hold IRA accounts
- Can DRS your GME IRA shares but only because of internal policy refuses to do so.

An Integrated Online Brokerage who is an IRA Custodian always know what's in the account and what comes in and out of it, because they are the holder of the IRA assets for the benefit of (FBO) the IRA owner. They have an internal policy to not allow DRS of IRA accounts into Computershare.

****A Self-directed IRA(SDIRA) Custodian who is or uses a broker****

- Can hold alternative assets (crypto, real estate, private securities, etc.)
- Can trade publicly traded securities with the use of its broker
- Can hold publicly traded securities with the use of its broker
- Can DRS and un-DRS your GME IRA shares with the use of its broker

A Self-directed IRA(SDIRA) custodian who is or uses a broker and without the use of the IRA LLC, always know what is in the account and what comes in and out of it, because they are the actual holder of the IRA assets FBO the IRA owner.

By law, IRA custodians who are or use a broker are allowed to be the holder of publicly traded securities within IRA accounts. So even though the GME shares are in Computershare, the IRA custodian who is or use a broker is the actual holder of the publicly traded GME shares FBO the IRA owner. The shares are registered in Computershare in the name of the Custodian FBO the IRA owner.

The SDIRA custodian in this instance is the equivalent to being a broker custodian like Fidelity, etc.

****A Self-directed IRA(SDIRA) custodian who is not a Market Participant (not a broker and doesn't use a broker)****

- Can hold alternative assets (crypto, real estate, private securities, etc.)

- Cannot trade publicly traded securities
- Cannot hold publicly traded securities
- Can DRS your GME IRA shares to an IRA LLC using the Computershare transfer form signed by the IRA LLC manager (IRA individual owner)
- Cannot un-DRS your GME IRA shares

The IRA LLC holds the title to the shares and the IRA LLC manager has complete control of the IRA LLC. The shares are registered in the name of the IRA LLC and the name of the IRA LLC manager (IRA individual owner) is on file.

The IRA custodian has NO rights with respect to the management of the IRA LLC as per the IRA LLC operating agreement which is controlled by the manager of the LLC (IRA individual owner) and not the IRA custodian.

The IRA custodian has custodial duties of the IRA, and the IRA owns the IRA LLC, but the IRA custodian has no idea what is in the IRA LLC, nor do they care. The only thing that is reported to the IRA custodian is the value of what is in the IRA LLC, not what is in it. So, the IRA custodian doesn't know if the value reported are GME shares, or Tesla shares, or even a house, nor do they know what comes in or out of the IRA LLC, nor do they care.

****TL;DR:**** ****The Important things to remember are:****

\- Not all IRAs are the same.

\- The IRA custodian has the right to determine what investments the IRA makes. For example, a brokerage firm IRA custodian will allow their clients to buy equities and prevent them from buying real estate. That is their right. Whereas a self-directed IRA custodian without a brokerage partner is legally only permitted to custody alternative assets since they are not a regulated broker dealer.

\- The only way to guarantee that the IRA owned shares will not be at risk for a brokerage partner to lend or market fuckery is by setting up the IRA at a non-brokerage type custodian - ****A Self-directed IRA(SDIRA) custodian who is not a Market Participant (not a broker and doesn't use a broker**** and then controlling share ownership via an IRA LLC. Otherwise, there is no guarantee that the IRA custodian and brokerage partner will not have access to those shares.

I hope this information is helpful. ****BUY DRS HOLD is the way****