

TANGIBLE ASSETS FOR TANGIBLE RESULTS

## Self-Directed IRAs & Mineral Rights Investing

Self-directed IRA account holders enjoy access to a broad range of investments not available in traditional IRAs, including alternative investments like cash-flowing mineral rights.

We believe that owning, developing, and managing tangible assets is one of the safest investment strategies available to generate passive income.

## 1

#### SELECT CUSTODIAN

Select an IRA custodian that's right for you.

#### TRANSFER FUNDS

Fill out paperwork to transfer retirement funds to new self-directed account.



### ALLOCATION

Complete investment designation paperwork to select your desired assets.

#### OWNERSHIP

Your mineral assets are your property, deeded and titled in the courthouse.



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## 1031 Exchange into Mineral Rights

A section 1031 tax exchange is a powerful tool that can be used to diversify your portfolio, maximize returns, increase liquidity, and defer capital gains taxes.

Minerals qualify for a 1031 exchange, allowing for a seamless transition into an asset class that provides continuous monthly royalties with none of the liabilities or ongoing costs associated with traditional real estate.



Sell asset & transfer funds to qualified intermediary



Select replacement asset within 45 days



Buy replacement asset within the 180-day window

# WHAT IS WORKING INTEREST?

### DIRECT INVOLVEMENT IN DRILLING WELLS

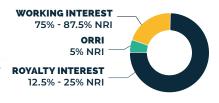
Unlike mineral rights owners, working interest owners are directly involved in the drilling of oil & gas wells. They receive a much larger percentage of the proceeds from the sale of oil & gas, but are also on the hook for any cost overruns that exceed what is outlined in the AFE, or **Authority for Expenditure**.

### TAX BENEFITS

One of the major benefits of being involved in working interest is that **intangible drilling costs**, which typically constitute 65-80% of the total drilling cost, are **100% deductible in the year incurred**. Additionally, any income generated through working interest is considered active income and can be offset against other forms of income, such as wages, interest, and capital gains.



FROM THE SALE OF OIL & GAS





### WANT TO LEARN MORE?

One of our experienced wealth managers will be happy to guide you through the process.

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