

Through Equity Trust Company, Complaints About Roth IRAs Rebutted

Written by Australian Business

NEW YORK, NY, September 24, 2013 /**24-7PressRelease**/ -- Though the Roth IRA was created to make it easier for individuals to save for retirement, complaints remain. According to [Equity Trust Company, complaints](#) about Roth IRAs usually stem from simple misunderstandings. There are investors who simply do not fathom how versatile and advantageous a Roth account can prove. A recent Kiplinger [article](#) affirms this, offering some reasons why investors should consider opening a Roth IRA. Equity Trust Company has responded to the article with a new statement to the press.

According to the press statement from Equity Trust Company, complaints about Roth IRAs fail to take into account the true utility of these investment vehicles. "Since its inception the Roth IRA has been one of the most powerful tools for retirement," the company affirms. "Investors benefit from tax-advantages, flexible withdrawals and the ability to leave money to heirs."

As for the Kiplinger article it notes that the primary purpose of the Roth IRA is to provide investors with a tax-advantaged way to plan for retirement. Beyond that, Roth accounts also let individuals use their money for a variety of purposes without incurring major penalties or taxes.

Naturally, one of the primary advantages of the Roth IRA is that it allows individuals to protect their assets from taxes. "Investing in a Roth IRA won't reduce next year's tax bill because a Roth Individual Retirement Account is funded with after-tax dollars," the article says. "The payoff comes later, once you're 59 1/2 and have held a Roth IRA for at least five years, withdrawals are tax and penalty-free."

A Roth account also allows the investor to tap into his or her savings in time of need. Once money is invested in an account, the article advises, investors should leave it there until they retire. Should they need money in an emergency, however, they can reach into their Roth account without having to pay penalties or taxes.

Kiplinger lists several other Roth IRA advantages. "Roth IRAs also offer estate-planning benefits for older savers who have other sources of retirement income," the article says. "With traditional IRAs, and generally with 401(k) plans, you must take annual minimum distributions once you reach age 70 1/2. However, a Roth account doesn't have a required minimum distribution, so you can allow the account to continue to grow tax-free for your heirs."

According to Equity Trust Company, complaints about IRAs: such as the inability to deduct

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contributions, are common. However, at Equity Trust Company, complaints like these are resolved once investors learn about the numerous advantages Roth IRAs offer.

ABOUT:

At [Equity Trust Company, complaints](#) about retirement savings are resolved with self-directed retirement accounts. The Company is among the country's foremost providers of self-directed IRAs and 401(k)s, with more than 130,000 clients in all 50 states and approximately \$12 billion of retirement plan assets under administration. The Company believes in self-directed retirement accounts as ideal vehicles for generating long-term wealth, as they allow investors the freedom to invest funds as they determine. At Equity Trust Company, concerns about restrictive conventional retirement programs are commonly heard, and the Company responds to these complaints by providing information about the alternatives available through self-directed programs.