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By: PRWeb

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IRA Financial Group Report Shows Growing Number of Entrepreneurs in 2013 used Solo 401(k) Plan Loan To Finance A Business or Franchise

PRWeb

IRA Financial Group, the leading provider of solo 401(k) plans for self-employed and small business owners, announces the findings of its 2013 annual transaction report, which showed a growing number of entrepreneurs using the Solo 401K Plan loan feature as a way to help finance their business or new franchise opportunity. "Due to the difficulty in getting traditional loans, entrepreneurs have turned to the [Solo 401\(k\) business](#) Plan loan feature in growing numbers in 2013 as a way to finance a new franchise opportunity, stated Susan Glass, a professional with the IRA Financial Group.

Internal Revenue Code Section 72(p) allows a Solo 401K Plan participant to take a loan from his or her 401K Plan so as long as it is permitted pursuant to the business's 401K Plan documents.

A [solo 401k loan](#) is permitted at any time using the accumulated balance of the solo 401k as collateral for the loan. A Solo 401(k) participant can borrow up to either \$50,000 or 50% of their account value - whichever is less. This loan has to be repaid over an amortization schedule of 5 years or less with payment frequency no less than quarterly. The lowest interest rate that can be used is Prime as per the Wall Street Journal, which is currently 3.25%.

With IRA Financial Group's [Solo 401K](#) plan loan feature, an entrepreneur who is self-employed individual or small business owner with no employees can borrow up to \$50,000 tax-free and penalty free. There are no penalties or taxes due provided loan payments are paid on time. "The Solo 401(k) Plan loan has proved to be an attractive financing option for entrepreneurs seeking additional financing for their business or new franchise," stated Ms. Glass.

IRA Financial Group's Solo 401k Plan documents will allow a self-employed individual to use a loan from your Solo 401k for any investment purposes, including real estate, funding a business or a new business, tax liens, private placements, etc. "In 2013, we had hundreds of entrepreneurs used the Solo 401(k) Plan loan feature as a way to access at least \$50,000 of retirement funds without tax or penalty to use for any purpose, including in most cases for funding a new business or franchise, " stated Scott Krokoff, a tax professional with the IRA Financial Group.

According to Mr. Krokoff, in 2013, most financial institutions continued to limit the amount of financing available to small businesses and start-ups. IRA Financial Group's Solo 401k Plan is a perfect structure for any self employed business owner seeking immediate funds for their business or franchise The Solo 401(k) Plan loan is the only tax-free and penalty free way a self-employed individual or small business owner with no employees can use their IRA or 401(k) Plan retirement funds to finance or fund their business.

The IRA Financial Group was founded by a group of top law firm tax and ERISA lawyers who have worked at some of the largest law firms in the United States, such as White & Case LLP, Dewey & LeBoeuf LLP, and Thelen LLP.

IRA Financial Group is the leading provider of Solo 401(k) Plan solutions. IRA Financial Group has helped thousands of clients take back control over their retirement funds while gaining the ability to invest in almost any

type of investment, including real estate and private business investments without custodian consent.

To learn more about the IRA Financial Group please visit our website at <http://www.irafinancialgroup.com> or call 800-472-0646.

Read the full story at <http://www.prweb.com/releases/solo-401k-loan-business-/franchise-start-up-IRA/prweb11642907.htm>

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