



## Is The Right Company Managing Your Money?

Who gives you customized financial advice?

A tax lawyer recently called me to ask if I could help one of his clients who is inheriting “all sorts of stuff from America.” That “stuff” turned out to be brokerage accounts at two different firms and a retirement account (IRA). “To make matters worse, Doug,” the lawyer told me, “the client’s Israeli bank advised him to simply liquidate everything and wire the proceeds to Israel so that he could invest in mutual funds.”

---> Who gives you customized financial advice?

An individual retirement account “IRA” receives special tax consideration from the IRS. In general, the earnings inside the account will not be taxable in America, as long as it stays in the account. Taxes are paid when the funds are withdrawn from the account. It’s a huge benefit to leave money inside an IRA as long as possible in most cases. When the Israeli banker told the client to withdraw the money immediately, he was creating a situation where the client would have to pay taxes today and miss out on decades of tax-deferred growth.

American-Israelis have special considerations relating to dual tax codes and investing. It is imperative that they receive financial and tax advice from someone licensed in both countries.

---> Financial advice should reflect your citizenship

Along with giving remarkably generic advice (“liquidate everything”), the banker’s proposal to use Israeli mutual funds as investment vehicles for a dual American-Israeli citizen would have created a huge tax burden for the American. As a general rule, it’s very problematic for American citizens to buy non-U.S. mutual funds.

---> You deserve customized financial advice

When dealing with American assets, start by talking with an American brokerage firm that can handle both retirement and regular accounts. Unfortunately, as this lawyer pointed out, many bankers simply do not understand the nuances of cross-border investing, and do not provide customized financial advice.

--->Can you see any other mistakes the banker made?

Send me an email if you see problems that the banker created for the client, [doug@profile-financial.com](mailto:doug@profile-financial.com)

Wherever you are on the path to retirement, *The Goldstein on Gelt Show* helps you manage your money better. Download our latest episode to

- understand the basics of personal finance (budget better, save more, avoid debt),
- learn investment strategies from the world’s best investors,
- improve your retirement plan, and
- build healthy financial habits.



Every show includes a discussion with an expert on how to invest for success. Host Douglas Goldstein, CFP® uses his 25 years of experience as a financial advisor to make money concepts simple to understand. Practical lessons give you tools and tips so you can make real changes. Contact Doug at [Doug@Profile-Financial.com](mailto:Doug@Profile-Financial.com) or call +972-2-624-2788.

Due to the unpredictable nature of the investment markets, the ever-changing economic scene, and the inherent risk that an investor may lose money, there is no guarantee or assurance whatsoever that any of the ideas or strategies discussed here will be successful. We are not responsible for any loss, liability, or risk incurred as a result of applying or using any of the information on this show. Please read the complete disclaimer [here](#).

**[www.GoldsteinOnGelt.com](http://www.GoldsteinOnGelt.com)**

Date of show: 04/04/2019