

If you have an Individual Retirement Arrangement (IRA), you should be alert to questionable advertisements and solicitations for "IRS-Approved" or "IRA-Approved" investments. These advertisements or solicitations, often for highly speculative types of investments, mislead by falsely claiming that the Internal Revenue Service has approved a particular investment. The IRS **does not** approve any forms of IRA investments.

Here's an example of a **fraudulent** "approved IRA" sales pitch:

*"This investment has been approved for your IRA. You can use your IRA for this investment by filling out the forms in the attached information package, and our agent will take care of the rest. This has been reviewed by the government (or IRS). This investment is so safe you can use it for your IRA. Only certain investments are approved for IRAs."*

# The Facts

**The IRS does** issue letters to IRA sponsors, trustees and custodians certifying that they are complying with requirements concerning investor rights, account administration, and standards that allow contributions to be deductible.

## **The IRS does not**

- review or approve investments
- endorse any investments
- advise people on how to invest their IRAs
- issue any statement that an investment in an IRA is protected because a particular trustee or custodian has been approved by the IRS.

**W**

e urge you to carefully consider the soundness of your IRA investments and to be aware of the current tax rules for IRAs.

**F**ederal and state  
government  
agencies investi-

gate and regulate companies  
and individuals who offer  
investments for IRAs. Before  
you invest, you should check  
with your state securities  
regulator to see if there have  
been complaints about the  
investment or the person  
selling it. You'll find the  
number of your state securities  
regulator in the government  
listings section of your  
telephone book.

**I**f you have questions or complaints  
about claims for investments made  
through telephone, mail or on-line  
promotions, contact either:

- *THE FEDERAL TRADE COMMISSION*  
**(202) FTC-HELP**  
**(382-4357)**

**Web site:** [www.ftc.gov](http://www.ftc.gov)

- *THE SECURITIES AND EXCHANGE COMMISSION*  
**1-800-SEC-0330**  
**Web site:** [www.sec.gov](http://www.sec.gov)

**Y**ou can get a free IRS publication  
on how to establish, contribute to,  
or deduct for an IRA by calling  
**1-800-TAX-FORM (1-800-829-3676)**. Just ask for IRS Publication 590,

“Individual Retirement Arrangements (IRAs).”



Department of the Treasury  
Internal Revenue Service

[www.irs.ustreas.gov](http://www.irs.ustreas.gov)

Publication 3125 (8-98)  
Catalog Number 26091B

AN  
IMPORTANT  
MESSAGE

FOR TAXPAYERS

WITH  
IRAs



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