

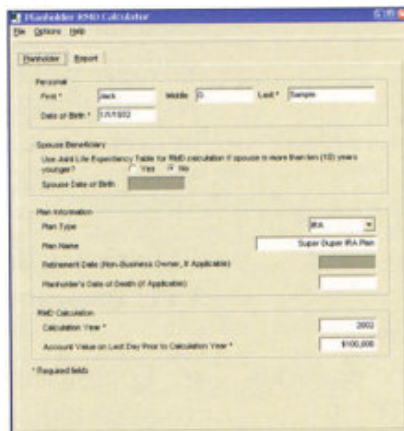
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A software company offers a customer-friendly way to calculate clients' RMDs.

Earlier this year, the IRS changed the rules on how to determine required minimum distributions for IRAs. Although the new rules are more taxpayer friendly than the old ones, figuring out required minimum distributions can still be nuisance for advisors who would rather meet with clients than crunch numbers. There's a slew of online required minimum distribution calculators on the Web where you can input some basic information and come up with a magic number. But what if you want something a bit more professional to present to your clients? ImagiSOFT Inc., a software firm run by a former life insurance agent, has developed a new product that allows you to determine the RMD and also print reports to give to clients, or produce Adobe pdf files you can e-mail to clients.

"One feature I think people like is the fact that you can create a pdf document," says Michael J. Prestwich, president of ImagiSOFT. "Many of these agents are working with retired people who may have moved to Florida or someplace else and they can talk to them on the phone and then e-mail them the report as a pdf." And, the reports print in large, 12-point type, a size that's easy on the eyes of the average 70 1/2-year-old.

ImagiSOFT's RMD software provides advisors a simple interface where client information can be entered.



Plug in your own information as well, and the software produces a professional report that details your client's current retirement plan holdings, the amount that must be withdrawn by the end of the year, what the IRS penalty would be if no minimum distribution is taken, as well as your contact information.

The software has three basic components; an RMD calculator for the planholder, another calculator for the beneficiary and a stretch IRA report which can help illustrate to the client how long their money can last.

Prestwich said his experience as an insurance agent helps set his software apart from his competitors. "I think that's one of our key advantages. I've sold life insurance, I've been in front of customers before and I know what they respond to.

I've also trained a lot of guys in sales and I know that most of them are not real technical people. They don't want to spend a half-hour figuring out the RMD."

The software is available for \$79.95 with a 30-day money back guarantee. A Web version of the software is available for free on ImagiSOFT's website. Prestwich said the Web version is appropriate for agents who may only want to run one or two reports a year. However, the Web reports will not be customized with the agent's contact information. For More information, or to order the software, call (877) 510-4702 or visit www.imagiSOFT.com.

THE IRS ON IRAS

- Owners of traditional IRAs are required to distribute a certain amount from the account each year, beginning in the year they turn 70 1/2. If the IRA owner turns 70 1/2 in 2002, they may delay payment until April 1, 2003. Every year thereafter, the required minimum distribution must be made by Dec. 31.
- If the required minimum distribution is not made, or if the distribution is not large enough, the IRS may issue a 50 percent excise tax on the amount not distributed as required.
- If more than one traditional IRA is owned, the required minimum distribution must be figured for each account. The amounts may be totaled and taken from one or more of the IRAs.

Source: Internal Revenue Service