

# IRA Financial Sees Surge in Demand for Solo 401(k) Plan Loan Option in Light of Rising Inflation

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MIAMI BEACH, FL, UNITED STATES, May 20, 2022 /EINPresswire.com/ -- IRA Financial Technologies, a leading financial technology self-directed IRA and 401(k) plan provider & custodian, has seen a surge in demand from the self-employed and small business owners seeking to establish solo 401(k) plans to take advantage of the loan feature. The consumer price index accelerated 8.3% in April, more than the 8.1% estimate and near the highest level in more than 40 years. Rising prices and increased business costs have put pressure on small business owners to seek additional capital for personal or business purposes. "Due to very high interest rates surrounding most credit card debt and the heavy financial burden it has on the individuals, more people are turning to the solo 401(k) plan loan feature as a way of addressing increasing costs because of inflation stated Adam Bergman, tax attorney and founder of IRA Financial. "The best part of the solo 401(k) plan loan option is that one can get tax-free and penalty free access to retirement funds and use them to pay for any personal or business expenses, such have been increasing quite significantly over the last several months due to inflationary pressure,"stated Mr. Bergman.

Internal Revenue Code Section 72(p) allows a Solo 401(k) 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 401(k) participant can borrow up to either \$50,000 or 50% of their account value - whichever is less. This loan must be repaid over an amortization schedule of 5 years or less with payment frequency no less than quarterly. Currently, the lowest interest rate that can be used is Prime as per the Wall Street Journal, which is currently 4.00%.

The IRA Financial Solo 401(k) plan loan feature will allow a sole proprietor or small business owner with no employees the ability to 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 loan proceeds can be used for any purpose. "The Solo 401(k) Plan loan can be used to help pay for increased personal or business expenses as a result of rising prices,"stated Mr. Bergman.

IRA Financial's self-directed IRA and solo 401(k) plan platform allows investors to invest in IRS approved alternative asset investments digitally and with no account valuation or minimum balance fees.

IRA Financial is the market's fastest growing provider of self-directed retirement plans. IRA Financial has helped over 23,000 thousand clients take back control over their retirement funds while gaining the ability to invest in almost any type of investment, including real estate, cryptocurrency, and private business investments.

Adam Bergman, IRA Financial founder, has written eight books the topic of self-directed retirement plans, including, "How to use Retirement Funds to Purchase Cryptocurrencies," "The Checkbook IRA," "Going Solo," "Turning Retirement Funds into Start-Up Dreams," "Solo 401(k) Plan in a Nutshell," "Self-Directed IRA in a Nutshell," and "In God We Trust in Roth We Prosper."

To learn more about the IRA Financial please visit our website at [www.irafinancialgroup.com](http://www.irafinancialgroup.com) or call 800-472-0646.

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