Basics of the ABLE Act

- The Stephen Beck Jr., Achieving a Better Life Experience (ABLE) Act was enacted on December 19, 2014.
- Individuals who experience disabilities are able to save a significant amount of money in a special savings account. The money in the ABLE account is invested, which increases its potential for growth.
- As long as the funds in the account do not exceed $100,000 and are used for Qualified Disability Expenses, there is no impact on federal and state benefit programs like SSI and Medicaid and there are no tax implications.
- Up to $14,000 per year can be contributed to an ABLE account by the owner, family, or friends.
- Every state will eventually have an ABLE program.
- You can open an ABLE account in any state that allows non-residents to do so (at this time, the Florida program is for Florida residents only).

Who is Eligible for an ABLE Account?
You must have a disability that began before the age of 26, but you can open an ABLE account at any age. You must:

- Provide proof that you receive Supplemental Security Income (SSI) benefits for a disability that began before age 26, or
- Provide proof that you receive Social Security Disability Insurance (SSDI) – including Childhood Disability Benefits (CDB) or disabled widow(er)s benefits (DWB) for a disability that began before age 26, or
- Provide a letter from a physician that certifies you meet Social Security's definition of disability for a disability that began before the age of 26.

What are Qualified Disability Expenses (QDEs)?
A "qualified disability expense" means any expense related to the designated beneficiary as a result of living a life with disabilities. These include:

- Housing
- Transportation
- Education
- Employment training and support
- Assistive technology
- Personal support services
- Health care expenses
- Financial management and administrative services
- Other expenses which help improve health, independence, and/or quality of life.

How Are My Benefits Affected?

- If your ABLE account has less than $100,000 in it, it does not count as a resource for any benefit programs that receive federal funding. Interest earned is also exempt as long as the total in the account does not exceed $100,000.
- As long as any money taken from the ABLE account is used for a QDE in a timely fashion, it does not count as income or as a resource for SSI, Medicaid or food stamps.

What are the Tax Implications?
Contributions cannot exceed $14,000 per year or they will be taxed. Money contributed to an ABLE account is post-tax and therefore it is not tax-deductible. Money withdrawn from an ABLE account for QDEs is not taxed.

How Do I Sign Up?
- The first step is to determine which program will be the best fit for you or the beneficiary. Visit www.ablenr.org/state-review to view which states currently offer ABLE accounts and learn more about the individual programs. To compare state programs, visit www.ablenr.org/state_compare.
- Once you have selected a program, contact that program directly to learn more about their sign-up process.

A benefits counselor from Granite State Independent Living can assist you with this process and answer additional questions. Contact us at 1-877-809-7028 or benefits@gsil.org