

ABLE Accounts

Expenses such as therapies and treatments associated with a disability are often extensive. Many families and individuals with disabilities rely on a government support to make ends meet. The Achieving a Better Life (ABLE) Act of 2014 allows people with disabilities to open savings accounts where they can save up to \$100,000 without losing eligibility for Social Security, Medicaid, or SNAP benefits. Eligibility is limited to those with significant disabilities with an age of onset prior to age 26. Some things that you should know about ABLE accounts:

- If you are receiving SSI and/or SSDI, you are automatically eligible for an ABLE account
- The first \$100,000 in an ABLE account is exempted from the SSI resource limit. If an ABLE account exceeds \$100,000, SSI benefits will be suspended until the account falls below \$100,000
- Funds in an ABLE account can be used for qualified disability expenses including (but not limited to) housing, transportation, support services and health care expenses
- If your state has not established an ABLE program, you can open an account in another state if that state's program is accepting out of state residents
- Anyone can contribute to a person's ABLE account, not just the beneficiary
- Administrative costs for ABLE accounts vary from state to state
- Income earned in an ABLE account is not taxed
- The maximum amount that can be contributed annually is \$16,000

To learn more about ABLE accounts visit www.ablerc.org.