



# Trillium

HEALTH RESOURCES

Transforming Lives. Building Community Well-Being.



# FUTURE PLANNING

TRILLIUM HEALTH RESOURCES

## ABLE Accounts

NC ABLÉ "Smart Save" National ABLÉ Alliance [nc.savewithable.com](http://nc.savewithable.com)



1 YEAR



ACCREDITED  
Health Network  
Expires 03/01/2022



ACCREDITED  
Health  
Utilization  
Management  
Expires 03/01/2022



ACCREDITED  
Health Call Center  
Expires 03/01/2022

# What is an ABLÉ account?

## ABLE-Achieving a Better Life Experience

ABLE Accounts are tax-advantaged savings accounts for individuals with disabilities and their families. ABLE accounts were created as a result of the passage of the **Stephen Beck Jr., Achieving a Better Life Experience Act of 2014** or better known as the ABLE Act.

The beneficiary of the account is the account owner, and income earned by the accounts will not be taxed. Contributions to the account, which can be made by any person (the account beneficiary, family and friends), must be made using post-taxed dollars and will not be tax deductible for purposes of federal taxes, however some states may allow for state income tax deductions for contribution made to an ABLE account.

# Who is ELIGIBLE?

**ABLE Accounts** are tax-advantaged savings accounts for individuals with disabilities and their families.

You're eligible if:

- Your disability was present before the age of 26; and
- One of the following is true: You are eligible for SSI or SSDI because of a disability
- You experience blindness as determined by the Social Security Act; OR
- You have a similarly severe disability with a written diagnosis from a licensed physician that can be produced if requested.

# Self - Certification

You must self-certify that you have one of the following:

- Blindness as defined by the Social Security Act (SSA); OR
- A medically determinable physical or mental impairment with marked severed function limitation that has lasted, or is expected to last, at least 12 continuous months or result in death; AND you must have a written disability-related diagnosis signed by a physician.
- You must re-certify annually.

## Are there limits to how much money can be put in an ABLE account?

- The total annual contributions by all participating individuals, including family and friends, for a single tax year is \$15,000. The amount may be adjusted periodically to account for inflation.
- Under current tax law, \$15,000 is the maximum amount that individuals can make as a gift to someone else and not report the gift to the IRS (gift tax exclusion). The total limit over time that could be made to an ABLE account will be subject to the individual state and their limits.
- However, for individuals with disabilities who are recipients of SSI, the ABLE Act sets some further limitations. The first \$100,000 in ABLE accounts would be exempted from the SSI \$2,000 individual resource limit. If and when an ABLE account exceeds \$100,000, the beneficiary's SSI cash benefit would be suspended until such time as the account falls back below \$100,000.
- It is important to note that while the beneficiary's eligibility for the SSI cash benefit is suspended, this has no effect on their ability to receive or be eligible to receive medical assistance through Medicaid.

## Allowed Expenses

A "qualified disability expense" means any expense related to the designated beneficiary as a result of living a life with disabilities. These may include education, housing, transportation, employment training and support, assistive technology, personal support services, health care expenses, financial management and administrative services and other expenses which help improve health, independence, and/or quality of life.



# How is an ABLÉ account different than a Special Needs Trust?

**An ABLÉ Account** will provide more choice and control for the beneficiary and family. Cost of establishing an account will likely be considerably less than either a Special Needs Trust (SNT) or Pooled Income Trust.

With an ABLÉ account, account owners will have the ability to control their funds and, if circumstances change, still have other options available to them.

Determining which option is the most appropriate will depend upon individual circumstances. For many families, the ABLÉ account will be a significant and viable option in addition to, rather than instead of, a Trust program.