Achieving a Better Life Experience (ABLE)—
Understanding the ABLE Act

The ABLE Act, signed into law on December 19, 2014, gives individuals with disabilities the opportunity to establish tax-deferred savings accounts to maintain their independence, pursue their dreams and contribute to their communities. ABLE Plans fall under Section 529 of the Internal Revenue Code.

Protects current disability and healthcare benefits

In general, ABLE Plan funds would not affect eligibility for Supplemental Security Income (SSI), Medicaid and other federal means-tested benefits. Currently, individuals with more than $2,000 in assets are not eligible for SSI.

SSI/ MEDICAID Eligibility

TAX FREE

Earnings on ABLE Plan contributions (made out of after-tax dollars) would be tax-free as long as the funds are used for qualified expenses.

Qualified expenses under the ABLE Act include:

- EDUCATION
- HOUSING
- TRANSPORTATION
- EMPLOYMENT TRAINING & SUPPORT
- ASSISTIVE TECHNOLOGY
- HEALTH, PREVENTION & WELLNESS
- FINANCIAL MANAGEMENT
- ADMINISTRATIVE SERVICES
- FUNERAL & BURIAL EXPENSES

Who can have an ABLE Plan?

You are eligible for an ABLE Plan if you are disabled before age 26. Proof of disability includes:

- SSDI — Receiving Social Security Disability Insurance (SSDI) ***or***
- SSI — Receiving SSI ***or***
- IRS certified — Receiving a disability certification under rules that the IRS will write.

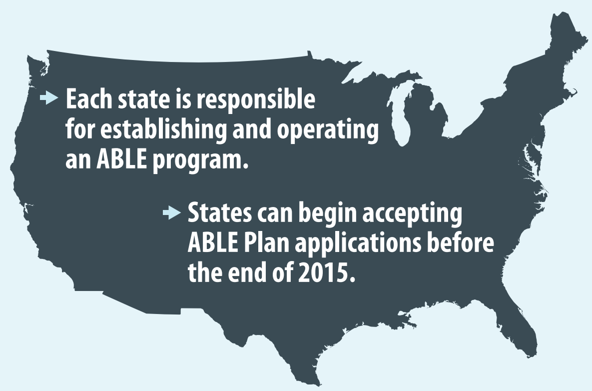
1.4 Million — Number of people who receive both SSDI and SSI benefits[1].

5.8 Million — Estimated number of Americans who will be eligible for an ABLE account, according to the National Disability Institute.

$100,000 — ABLE Plan amount that would trigger a suspension in SSI cash benefits while maintaining an individual's SSI eligibility.

$14,000 — Amount each family member and friends can contribute annually into an ABLE Plan and not pay taxes (gift tax exclusion).

Setting up an ABLE Plan



AAPD

For more information on the American Association of People with Disabilities, visit AAPD.com

Allsup Life Reclaimed

For more information on Social Security Disability Insurance, visit Expert.Allsup.com

[1] Annual Statistical Report on the Social Security Disability Insurance Program, 2013.