



ABLE United 101

ABLE stands for “Achieving a Better Life Experience” – and it was made possible by the passage of the ABLE Act.

Added a new section to the Internal Revenue Code, Section 529A

Encourages individuals with disabilities to save after tax dollars to support health, independence, and quality of life

Similar to:

529 College Savings Plan

Checking/Savings Account

Special Needs Trust

The Florida ABLE Act

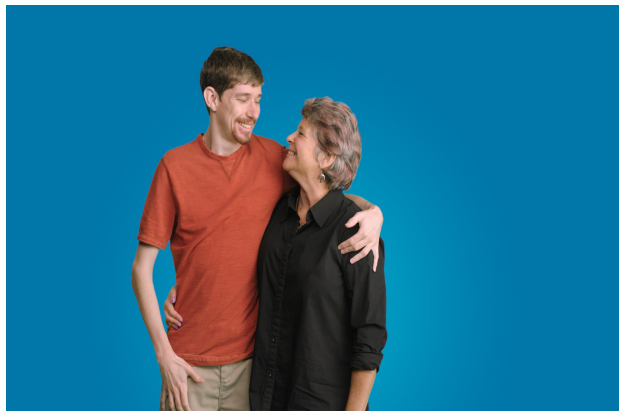
In July 2015, the State of Florida created ABLE United, a registered not-for-profit and direct support organization of the Florida Prepaid College Board (Florida Statutes Section 1009.986 - 1009.988). One year later on July 1, 2016, the program officially launched.



The Difference Between the ABLE and Able

The mission of The Able Trust is to be a key leader in providing opportunities for successful employment for Floridians with disabilities.





Eligibility

Eligible individuals are allowed one ABLÉ account nationwide and must also:

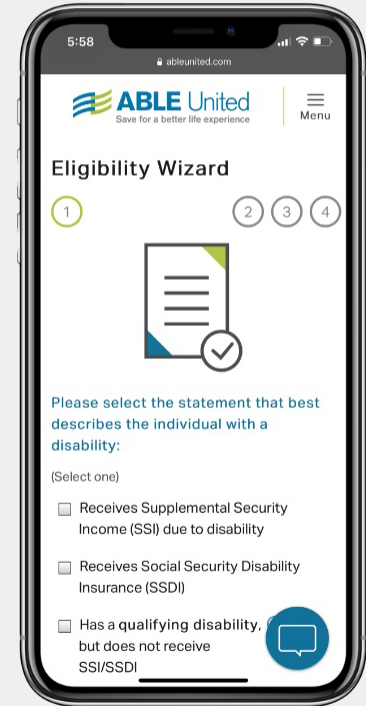
- Be a Florida resident
- Have a disability with onset prior to age 26
- Receive SSI or SSDI or have a disability that is "severe"

If an individual is not receiving SSI or SSDI, then self-certify is an option, and that individual must:

- Have a diagnosis of a physical or mental impairment prior to age 26
- Have a disability that is "marked and severe with functional limitations"
- Have a disability that is expected to last for at least 12 months

A **qualifying disability** includes individuals with a diagnosis such as:

- **Developmental Disorders:** Autistic Spectrum Disorder, Asperger's Disorder, developmental delays and learning disabilities
- **Intellectual Disability:** Mild, moderate, or severe intellectual disability
- **Psychiatric Disorders:** Schizophrenia, Major depressive disorder, Post-Traumatic Stress Disorder (PTSD), Anorexia Nervosa, Attention Deficit/Hyperactivity Disorder (AD/HD), Bipolar Disorder
- **Nervous Disorders:** Blindness, Deafness, Cerebral Palsy, Muscular Dystrophy, Spina Bifida, Juvenile-onset Huntington's Disease, Multiple Sclerosis, Severe sensorineural hearing loss, Congenital cataracts
- **Congenital Anomalies:** Chromosomal abnormalities, including Down Syndrome, Osteogenesis Imperfecta, Xeroderma Pigmentosum, Spinal muscular atrophy, Fragile X Syndrome, Edwards Syndrome
- **Respiratory Disorders:** Cystic Fibrosis
- **Other:** Tetralogy of Fallot, Hypoplastic left heart syndrome, End-stage liver disease, Juvenile-onset rheumatoid arthritis, Sickle cell disease, Hemophilia, and any other disability not listed



Ownership

The individual with a disability, or the beneficiary, is the owner of the ABLE account – however, another person may assist in opening or maintaining the ABLE account, such as:

- Legal Guardian
- Power of Attorney
- Parent, Spouse, Sibling, Grandparent
- Representative Payee (Individual or Organization)

This authorized signatory is commonly referred to as the Authorized Legal Representative (ALR).

ABLE and Public Benefits

Specifics on Medicaid

Medicaid is a federal and state program that helps with medical costs for some people with limited income and resources. Florida has Home and Community Based Care Service Waivers, such as the iBudget and Long-Term Care, that provide a robust set of services and supports to those with significant disabilities.

- Funds in (or withdrawn from) an ABLE account are disregarded as a resource (asset) when determining eligibility for Medicaid.
- Recent Florida law states Medicaid may not file a claim on an ABLE account.
- Generally, after all outstanding qualified disability expenses have been paid, leftover funds go to the beneficiary's estate.

Specifics on Supplemental Security Income (SSI)

Supplemental Security Income (SSI) is a Federal supplement program that provides cash to meet basic needs for food, clothing, and shelter.

- Generally, funds in (or withdrawn from) an ABLE account are disregarded as a resource when determining eligibility for SSI.
 - First \$100,000 in ABLE account does not count as a resource.
 - All housing and non-qualified expenses withdrawn, but not spent in the same month, count as a resource.
- Earned/unearned income directly deposited into an ABLE Account still counts as earnings and may reduce SSI benefits.
- Program submits all account information to Social Security monthly to review SSI account holders who have ABLE accounts.
- For more information, review the Social Security POMS:
<http://policy.ssa.gov/poms.nsf/lnx/0501130740>

ABLE Accounts and SSI Example

Paul is the designated beneficiary of an ABLE account with a balance of \$101,000 on the first of the month. Paul's only other countable resource is a checking account with a balance of \$1,500. Paul's countable resources are \$2,500 and therefore exceed the SSI resource limit.

However, since Paul's ABLE account balance causes him to exceed the resource limit (i.e., his countable resources other than the ABLE account are less than \$2,000), Paul's SSI eligibility is suspended and his cash benefits are stopped, but he retains eligibility for Medicaid in his State.

Considerations:

- Contributions are limited to \$15,000 a year
- Monitor if close to \$100,000 and beneficiary wants to maintain SSI

ABLE Accounts and SSI Example

Amy takes a distribution of \$500 from her ABLE account in May to pay a housing expense for June. She deposits the \$500 into her checking account in May, withdraws \$500 in cash on June 3, and pays her landlord.

This distribution is a housing expense and part of her checking account balance as of June 1, which makes it a countable resource for the month of June.

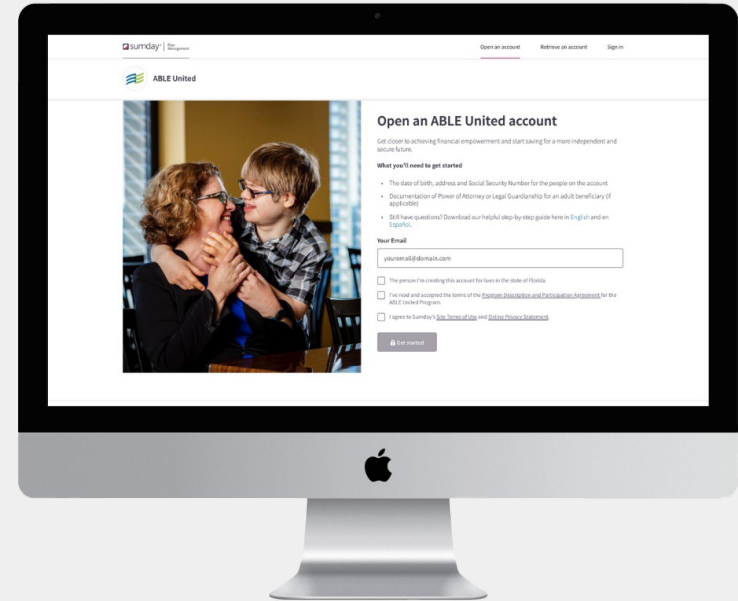
How to avoid In-Kind Support and Maintenance Reduction

- Have ABLE account pay housing directly
- Withdrawal and pay housing in the same month

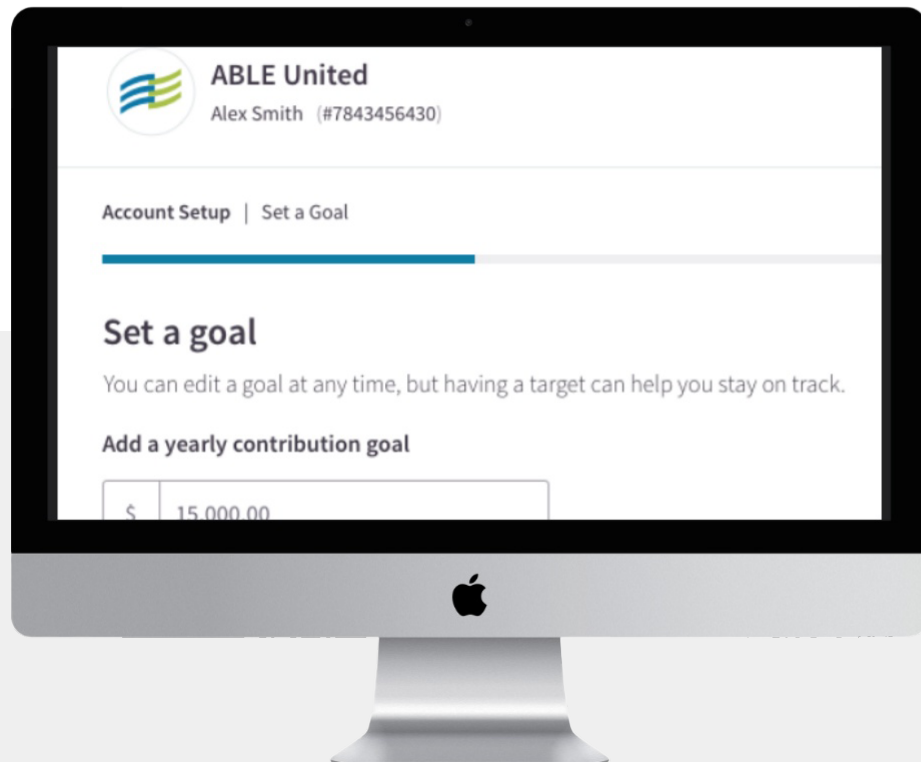
How an Account Works

Here's what you'll need to open an account:

- An email address
- The date of birth, address and Social Security Number for the individuals on the account
- Self-certification if opening on behalf of Beneficiary
- Banking information
- Minimum \$25 contribution to the account
- Investment selections



Set a Savings Goal



Investment Options

Three predesigned portfolios to meet the needs of most investors or five individual funds to build a custom portfolio based on your goals:

Portfolio Options

- Conservative
- Moderate
- Growth

Fund Options

- Money Market Fund, *Florida Prime*
- U.S. Stock Fund, *Vanguard*
- U.S. Bond Fund, *Vanguard*
- International Stock Fund, *BlackRock*
- FDIC Savings Fund, *BNY Mellon*

Contribute

Generally, contributions are considered gifts (not income) to the individual with a disability.

Contribution considerations include:

- A total of \$17,000 can be contributed per calendar year
- ABLE to Work allows working beneficiary not saving for retirement can contribute above \$17,000
 - Compensation includible in the designated beneficiary's gross income for the taxable year, or
 - An amount equal to the poverty line for a one-person household, as determined for the calendar year preceding the calendar year in which the taxable year begins (Florida = \$13,590)
 - Individual putting earned income into account, still counts as earned income
- Opportunity to rollover funds from 529 college savings plan



ABLE United



Contribute to Steven's Future

Looking for the perfect gift? A gift contribution to an ABLE account can help pay for everyday expenses and care down the road. Plus, it's easier than wrapping a present. Thank you for contributing to Steven's future.

Make a contribution

Withdraw

Withdrawal via electronic transfer to a connected bank, request a check, or our optional ABLE Visa® Prepaid Card.

Additional considerations:

- Earnings are tax-free if withdrawals are used for qualified disability expenses
- Choose which investment to withdraw from – allows to separate savings from investing
- Keep documentation for the IRS and/or SSA

The ABLE Visa® Prepaid Card is issued by Sunrise Banks N.A., St. Paul, MN 55103, Member FDIC, pursuant to a license from Visa U.S.A. Inc. This card can be used everywhere Visa debit cards are accepted. Use of this card constitutes acceptance of the terms and conditions stated in the Cardholder Agreement.

Qualified Disability Expenses



Health



Education



Housing



Transportation



Legal Fees



Financial
Management



Employment Training
and Support



Assistive Technology
and Personal Support
Services



Oversight and
Monitoring



Funeral and Burial



Other Expenses Approved by the
Treasury Regulations

Costs Associated

Generally, there are no fees associated with opening an account:

- Investment administration fee ranges from 0.00% to 0.290% (annualized) of the account balance
 - *FDIC investment option has no fees*
- *Optional* \$10 annual fee for paper statements
- *Optional* ABLE Visa® Prepaid Card \$2.50 per month

Best Value for Floridians

ABLE United offers the best value for Florida residents

- No application fee
- No monthly account maintenance fee
- No paper check request fee
- Program administered by Florida Prepaid

Frequently Asked Questions

Who is Vestwell?

Vestwell State Savings, LLC (d/b/a Sundry Administration), is our plan manager. We collaborated with them to give you a secure online way to open and manage your ABLE United account. Their intuitive online platform makes it easy to add or withdraw money and manage your ABLE account.

If I move out of state, do I have to close my ABLE United account and open an ABLE account in that state?

No, it is just fine to keep your ABLE United account as it is all managed online – however, that state's ABLE program might have unique benefits for its residents, in the same way that ABLE United is the best value for Floridians.

Do I have to file taxes on an ABLE United Account?

Each ABLE United account is treated separately, and each will receive separate tax documents. Please consult your tax advisor for information about whether you need to file taxes for an ABLE United account.

At the end of each year, you will receive a 5498-QA showing contributions and the establishment of an ABLE account.

If a withdrawal was made from the ABLE United account, you will receive a 1099-QA showing the earnings and basis of the distributions.

How to Reach Us

How to Reach Us

- Visit us at ableunited.com
- Spanish resources available at ableunited.com/espanol
- Book ABLE Office Hours via our Contact page
- [Order](#) materials free of charge
- Available in English, Spanish and Haitian-Creole

Customer Service

- Available via phone Monday – Friday, 9am – 6 pm ET at 1-888-524-ABLE (2253) or 1-844-888-2253 TTY
- Available via live chat (look for icon on bottom right)

Thank you!



ABLE United

Save for a better life experience