



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

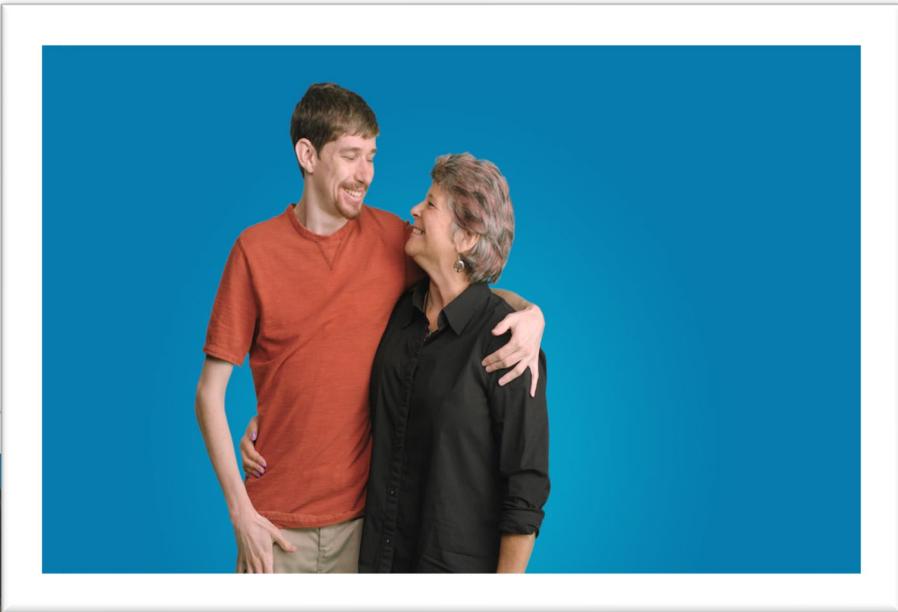
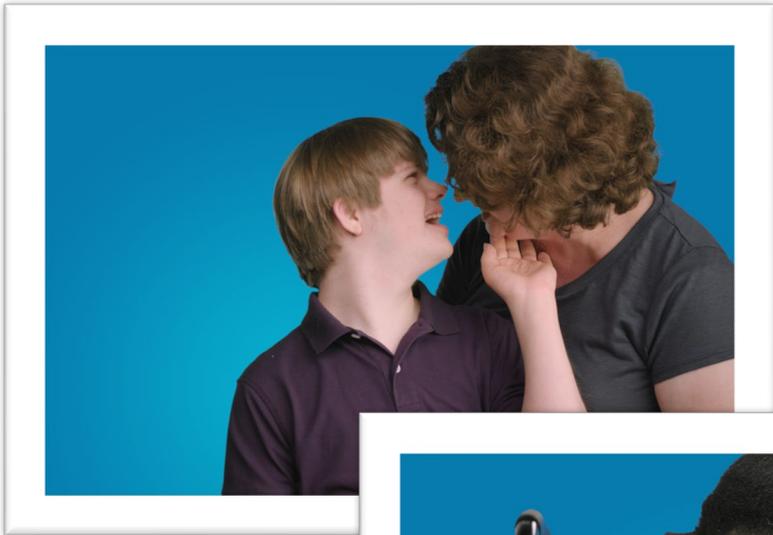
Special Needs Trust

The Florida ABLE Act

In July 2015, the State of Florida created Florida ABLE, Inc. (d/b/a ABLE United) a registered not-for-profit and direct support organization of the Florida Prepaid College Board to administer the ABLE United Program (Florida Statutes Section 1009.986 - 1009.988).

About the Florida Prepaid College Board

- More than 561,000 students have attended college using Prepaid Plans since 1987
- More than 1 million plans have been sold since 1987
- More than 98,000 students attended college in the fall of 2019 using Prepaid Plans
- Manages more than \$12 billion in investments



Eligibility

Eligible individuals must:

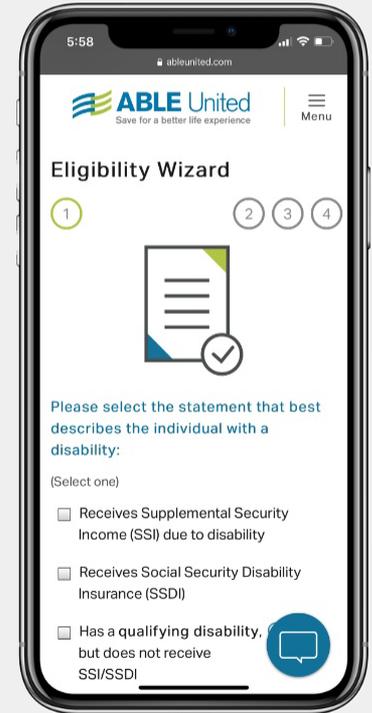
- Be a Florida resident
- Have a disability with onset prior to age 26
- Receive SSI or SSDI or have a disability that is “severe”

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)

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 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

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.

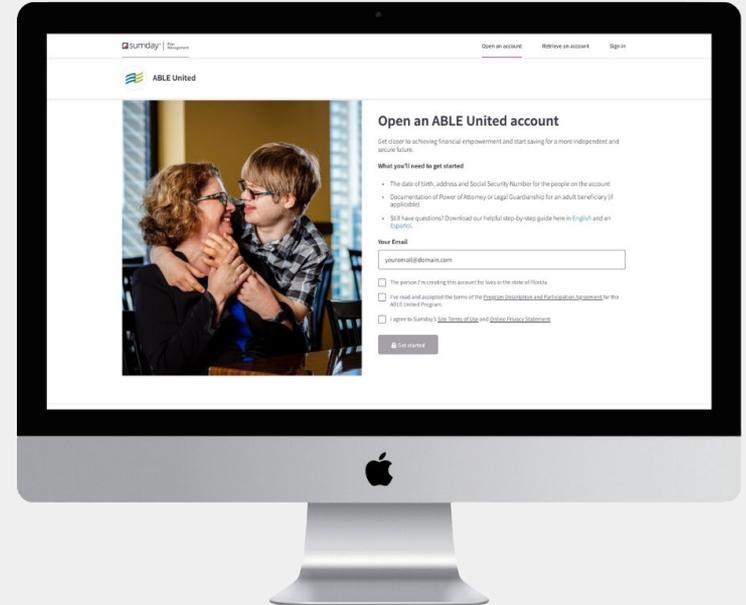
How to avoid In-Kind Support and Maintenance Reduction

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

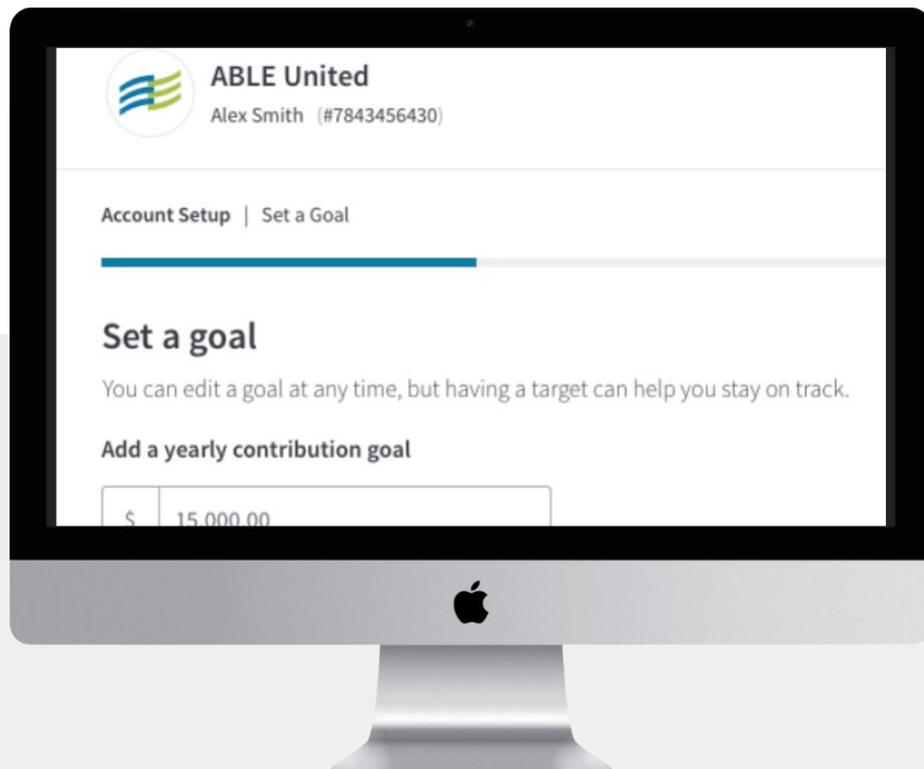
How an Account Works

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 \$16,000 can be contributed per calendar year
- ABLE to Work allows working beneficiaries not saving for retirement to contribute above \$16,000
- Opportunity to rollover funds from 529 college savings plan
- Individual putting earned income into account, still counts as earned income



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.

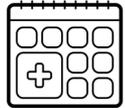
Qualified Disability Expenses



Weekly Groceries



Housing



Doctor's Appointments



Transportation



Education



Assistive Technology



Employment Training and Support



Legal Fees

Costs Associated

ABLE United offers the best value for Florida residents as there are no fees associated with opening an account:

- No application fee
- No monthly account maintenance fee
- \$25 minimum contribution
- Optional fee of \$10 for paper statements
- Optional ABLE Visa® Prepaid Card \$2.50 per month
- Investment administration fee ranges from 0.00% to 0.290% (annualized) of the account balance
 - *FDIC investment option has no fees*

Frequently Asked Questions

Is an ABLÉ account similar to a Special Needs Trust (SNT)?

We consider an ABLÉ account as an additional tool in a financial tool belt and can often work together as a third party SNT can fund an ABLÉ account.

Third Party Special Needs Trust

Can be used to fund ABLE accounts,
depends on trust documents

Part of estate planning; requires attorney to
set up / trustee to oversee

Can accept non-cash assets such as life
insurance, homes and other assets

Can be costly

Provision to allow trustee to fund ABLE
account

ABLE Accounts

Flexible – can be used to pay for food and
shelter for SSI recipient without impacting
benefits (no ISM reduction)

Grows tax-free

Free online enrollment

Can be administered by individual or third
party

Restricted to \$15,000 in contributions per
calendar year

Protection against creditors

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's 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.

What is Sumday?

Sumday is the plan manager for ABLE United and provides the online platform for the ABLE United account. Sumday is owned by BNY Mellon, one of the world's largest financial institutions, and its core mission is to improve lives through investing.

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

Online

- Visit us at ableunited.com
- Spanish resources available at ableunited.com/espanol
- Book ABLE Office Hours via our [Event](#) tab
- Available via live chat (look for icon on bottom right)

Phone

Monday – Friday, 9am – 6 pm ET

- 1-888-524-ABLE (2253)
- 1-844-888-2253 TTY

Thank you!



ABLE United

Save for a better life experience