

ABLE Savings Accounts:

A new financial tool for children and adults with disabilities



What Is an ABLE Savings Account?

It is a savings account for people with disabilities that does **not** affect asset limits.

You can put up to \$14,000 a year into the account - money from birthday presents, graduation gifts, and employment - and as long as the total balance stays under \$100,000, benefits will not be affected.

It is a great option for families of all income levels.

You can use it just like a savings account - putting money in and taking money out as you need.

A person qualifies for an ABLE account if she or he has a significant disability that began before age 26.

ABLE accounts are tax-exempt - you do not pay taxes on money you withdraw or from the investment income of the account.

Pennsylvania will not reclaim funds in an ABLE account to pay back Medicaid after the person using the ABLE account passes away. This is unique to Pennsylvania.

Having an ABLE savings account does not conflict with having a special needs trust. It is one more tool for financial planning.

Once your child turns 18, he or she can take over management of their ABLE money. A family member can also continue managing the account.

Opening an ABLE Savings Account Can Help Your Family.

With an ABLE account, you can now save for a wide variety of living expenses for your child with a disability, including:

- Housing
- Assistive technology
- Employment expenses
- Medical equipment and expenses
- Educational expenses like technical education, tutoring, and higher education
- Transportation
- And much more

ABLE accounts empower people with disabilities to have control over their money.

How Can I Get an ABLE Account?

The Pennsylvania Treasury Department is developing the ABLE Account program currently.

Once the Treasury Department finishes creating the website and systems for ABLE accounts, you will be able to open an ABLE account in Pennsylvania.

You will be able to open and manage the ABLE savings account online through the Pennsylvania Treasury Department.

You can sign up at <http://www.pa529.com/able/> to stay informed about the Treasury Department's Progress.

Stay Informed About PA ABLE

You can visit www.thearcpa.org/able.html for more details about PA ABLE.

Questions? Contact Ashlinn, asarani@thearcpa.org, or Susan, stachau@patf.us.