

ABLE United 101

Florida's Qualified ABLE Program



The ABLE Act

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



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

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:

- Parent
- Legal Guardian
- Power of Attorney



Specifics on Medicaid

Medicaid is a federal and state program that helps with medical costs for some people with limited income and resources. In Florida, Medicaid iBudget Wavier is also available, which provides home and community-based supports.

- Funds in (or withdrawn from) an ABLE account are disregarded when determining eligibility for Medicaid.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- Generally, funds in (or withdrawn from) an ABLE account are disregarded when determining eligibility for SSI.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- All housing and non-qualified expenses withdrawn, but not spent in the same month, count as a resource.
- 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 same month



The Enrollment Process

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

- The date of birth, address and Social Security Number for the individuals (beneficiary and/or account administrator) on the account
- Documentation of Power of Attorney or Legal Guardianship for an adult beneficiary (if applicable)
- Banking information
- Minimum \$25 contribution to the account
- Investment selections

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 \$15,000 can be contribution per calendar year
- ABLE to Work allows working beneficiary not saving for retirement can contribute above \$15,000
- Opportunity to rollover funds from 529 college savings plan
- Individual putting earned income into account, still counts as earned income

Contribute



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 for 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.

Qualified Disability Expenses



Weekly Groceries



Housing



Doctor's Appointments



Assistive Technology



Education



Transportation

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 ABLE account similar to a Special Needs Trust (SNT)?

Yes and No.

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

The differences are that SNT are setup by attorneys and must be overseen by a trustee. They can also hold a variety of non-cash assets.

An ABLE account is setup online and can be managed by individual or third party. However, it is limited to \$15,000 in annual contributions but can grow tax-free.

Frequently Asked Questions

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 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 Sundry?

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

Frequently Asked Questions

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 adviser 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.



Is an ABLE United Account Right for You?

- Are you looking for a way to save money without losing your government benefits for basic living expenses like housing, transportation and education?
- Are you looking for a way for your money to potentially earn interest tax-free?
- Do you have family and friends that would like to assist you financially, but do not want to compromise the benefits you currently receive, or may receive in the future?
- Do you find yourself spending down money each month in order to get below \$2,000 in assets?

Contact Us

Online

- Visit us at ableunited.com
- Available via live chat (look for icon on bottom right)

Call Toll Free

- 1-888-524-ABLE (2253) (Monday – Friday, 9am – 6 pm ET)
- 1-844-888-2253 TTY (Monday – Friday, 9 am – 6 pm ET)

The information contained in this presentation is for general information purposes only and does not constitute tax or investment advice. Performance of the program discussed herein is not guaranteed and is subject to market conditions, among other things. Carefully consider objectives, risks, charges and expenses before investing. As with any investment, it is possible to lose money by investing in this program. Please read the Program Description and Participation Agreement carefully.