



Golden State Pooled Trust

An Update on the ABLE Act for the Texas Special Needs Trust Practitioner

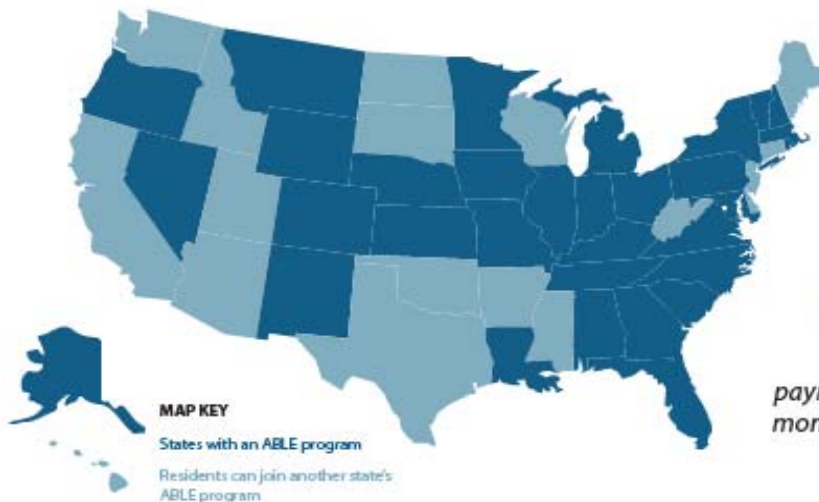
Stephen W. Dale, Esq. LL.M
Pacheco, California
925-826-5585

Golden State Pooled Trust www.gspt.org

Golden State Pooled Trust 877.336.3096



Golden State Pooled Trust



33 states have launched ABLE programs

"Having an ABLE account now means financial security. I just put a down payment on an accessible vehicle with the money I saved in my ABLE account. I don't know what I would do without ABLE."

— Wendy Settles, Illinois
Young adult professional with Cerebral Palsy



17,314
total ABLE accounts opened nationwide



\$4,157
average savings in ABLE accounts



\$72 million
invested in ABLE accounts nationally

Golden State Pooled



Golden State Pooled Trust

Eligibility

Eligible individuals must meet **two requirements**:

Age: *must be disabled before age 26 PLUS*

Severity of disability: *Must have been determined to meet the disability requirements for Supplemental Security Income (SSI) or Social Security disability benefits*

OR

*Must submit a **doctor's certification** that meets criteria (essentially equal to Social Security "listings" level of disability), including a physician's diagnosis*

Golden State Pooled Trust www.gspt.org

Golden State Pooled Trust 877.336.3096



Golden State Pooled Trust

Eligibility

- If the ABLÉ account beneficiary qualifies because of certification, ABLÉ eligibility cannot be used to secure supplemental security income (SSI) or Medicaid

Golden State Pooled Trust www.gspt.org

Golden State Pooled Trust 877.336.3096



Golden State Pooled Trust

Key Features

- **Contributions** into an ABLE account **could be made by any person**;
- Contributions would **not be tax deductible**;
- **Income earned** by the accounts would **not be taxed**;
- Account **withdrawals**, including portions attributable to investment earnings generated by the account, **for qualified expenses would not be taxable**;

Golden State Pooled Trust www.gspt.org

Golden State Pooled Trust 877.336.3096



Golden State Pooled Trust

Key Features

- Individuals would be **limited to one ABLE account**, and **total annual contributions by all individuals to any one account could be made up to the gift tax limit (\$15,000 in 2018)**
- **Aggregate contributions** to an ABLE account would be **subject to an overall limit matching the State limit for Section 529 accounts.**
- Example – The 529 limit in Texas is **\$370,000** .
- **$\$370,000 / \$15,000 = 24.67$ years**

Golden State Pooled Trust www.gspt.org

Golden State Pooled Trust 877.336.3096

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: ABLE Act Update

Also available as part of the eCourse

[2018 Special Needs Trusts eConference](#)

First appeared as part of the conference materials for the
14th Annual Changes and Trends Affecting Special Needs Trusts session
"ABLE Act Update"