



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

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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

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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*

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Eligibility

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

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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**;

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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**

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