



ABLE FAQ's

Who may open an ABLE account?

Adults, with legal capacity, may open and manage their own ABLE account. Parents and guardians of minors, conservators, and **some** court-appointed guardians may manage an ABLE account on behalf of someone else.

The eligible individual with a disability is always the account owner; and eligible individuals may only have one ABLE account at any time.

How do ABLE accounts impact federal benefits?

Up to \$100,000 can be saved in an ABLE account without affecting SSI benefits. ABLE account savings do not impact Medicaid, HUD and other means-tested benefits.

Who is eligible for an ABLE account?

ABLE accounts are available to people with disabilities or blindness who meet all of the following requirements

- The disability or blindness started before the age of 26;
- The disability or blindness is severe enough to qualify the individual for SSI or SSDI (Note: you do not have to be receiving benefits to open an ABLE account);
- The eligible individual has a Social Security Number or Tax ID Number.

Do individuals have to open their ABLE account in their state of residence?

A person with a disability may open an ABLE account with any state program that offers nationwide enrollment. Individuals are encouraged to compare investment options, fees, and expenses.

Investment information for Kansas' ABLE program is available at <https://SaveWithABLE.com/KS/home.html>.

Who may contribute to an ABLE account? How much can be contributed?

- Anyone (including family members, friends, and employers) may contribute to an individual's ABLE account. Note that contributions from third parties might be considered income to the beneficiary for tax and means-tested benefits programs.
- Currently, up to \$15,000 total can be contributed each calendar year, from all sources.
 1. Working account owners who are not participating in a retirement plan through their job may save up to an additional amount equal to the total of their wages, or the poverty limit (whichever is less).

- Aside from annual contribution limits, the maximum amount that can be saved in an ABLE account is limited by federal and state law. For 2021, the limit for Kansas accounts is \$435,000.

When can a Guardian open and manage an ABLE account? When is a conservatorship required?

- Court-appointed Guardians don't automatically have financial authority to make financial decisions (including opening/managing an ABLE account). Conservators typically have full financial authority.
- Judges have some discretion to allow Guardians to manage ABLE accounts and have other financial authority, but the process is inconsistent from court to court.
- New IRS regulations provide alternatives and clearer procedure, but will need to be implemented in Kansas through statutory changes.

What can an ABLE account be used for?

- Funds in an ABLE account can be used for "Qualified Disability Expenses." Under federal statutes and regulations, these are expenses that are incurred at a time when the account owner is an eligible designated beneficiary, and relate to the account owner's qualifying blindness or disability. This includes expenses that are for the benefit of the designated beneficiary in maintaining or improving his or her health, independence, or quality of life.
- Examples of qualifying expenses include expenses for education, housing, transportation, employment training and support, assistive technology and support services, health prevention and wellness, financial management and administrative services, legal fees, expenses for oversight and monitoring, and funeral expenses.
- Whether a particular expense is a qualified disability depends on each designated beneficiary's unique circumstances and whether the expense is for maintaining or improving the health, independence, or quality of life of the designated beneficiary.