



## **ABLE: Achieving a Better Life Experience Act of 2014**

*The National ABLE Alliance is a partnership of States dedicated to providing those living with disabilities with an ABLE investment product that offers multiple financial options at low cost*



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# **The ABLE Act of 2014 created savings and investment accounts for individuals with disabilities.**

*An overview of ABLE*

# Agenda

- **Legislative History**
- **What is ABLE? & Why have an ABLE account?**
- **Eligibility**
- **Opening & Managing an Account**
- **Additional Details & Considerations**
- **Resources**
- **Q & A Forum**



# History

2014

- The Stephen J Beck Jr. ABLE Act became federal law
- ABLE amended the 529 College Savings Tax Law to include ABLE, also known as 529A

2016

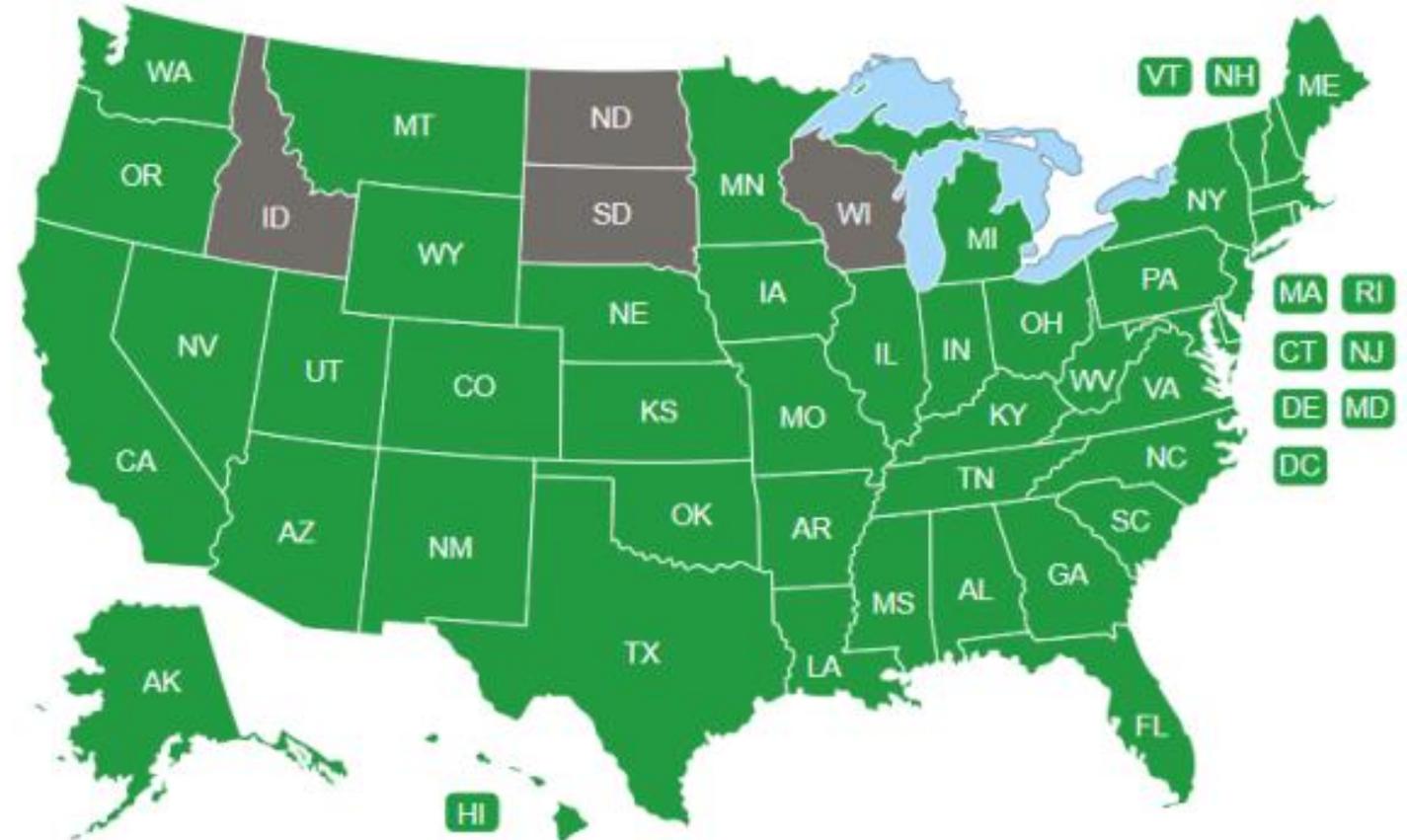
- NJ ABLE adopted
- NJ joined the National ABLE Alliance

2018

- NJ Department of Human Services provides information and assistance on NJ ABLE
- NJ ABLE became available for public saving and investing

# ABLE in 2025

- Active in 46 States
- Over \$3 Billion in assets
- Over \$51 Million in NJ ABLE assets
- Over 234,000 ABLE Accounts nationwide
- Over 4,300 NJ ABLE savers



# What is ABLE?

*Why have an ABLE account?*

# What is ABLE?

ABLE is a 529A tax-advantaged savings program for individuals with disabilities, which allows for saving money for qualified disability expenses, tax-free, while allowing means-tested benefits to continue.

The savings can be held in:



**A Checking  
Account**

OR



**An Investment/  
Portfolio Account**

OR



**A Combination**

# Why have an ABLE account?

- ABLE accounts preserve benefits
  - Funds in an ABLE account are not counted towards the individual's assets when determining eligibility for federal needs-tested benefits, such as Medicaid, SSI\*, HUD, FAFSA, TANF, or SNAP
- ABLE accounts are empowering
  - Eligible savers can now save money (beyond existing \$2,000 asset limits), maintain important benefits, and make their own financial decisions

\*up to certain limits



# Supplemental Security Income & Medicaid

## **ABLE assets are disregarded in determining Supplemental Security Income (SSI) eligibility**

\*Only when all assets are under \$100,000.

When an ABLE account balance & other assets exceed \$100,000, SSI cash benefits stop until the balance drops below \$100,000

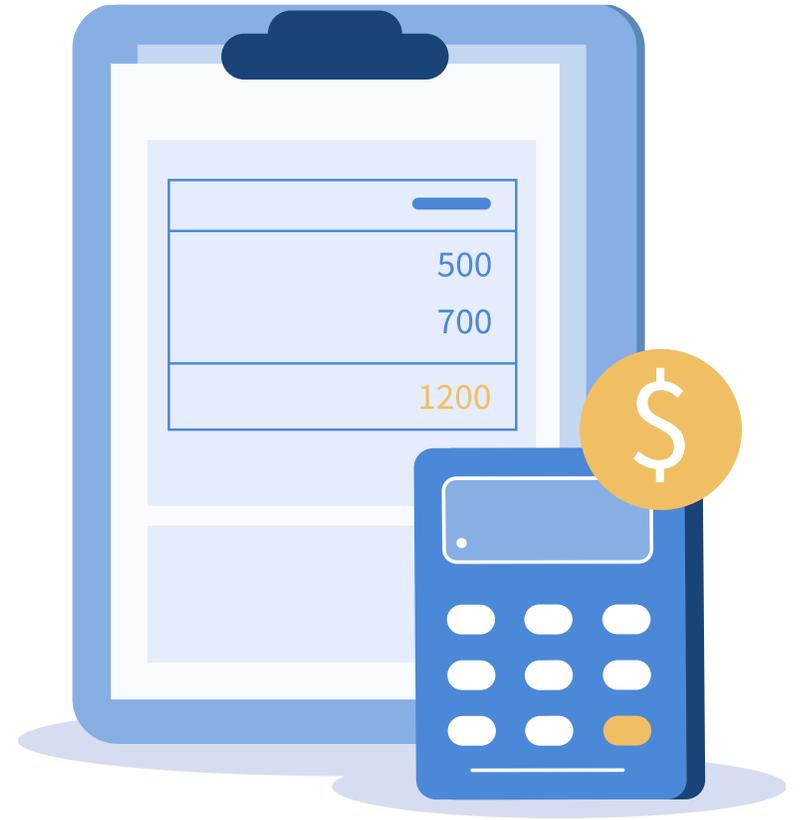
## **In NJ, ABLE assets under \$305,000 are disregarded when determining Medicaid Eligibility**

- NJ Medicaid beneficiaries are subject to a “Medicaid Payback” provision
- Any assets remaining in the ABLE account after all Qualified Disability Expenses (QDE’s) have been paid are repaid to NJ Medicaid
- Funds can be requested only after all QDE’s have been paid, up to and including funeral expenses

# ABLE offers great tax benefits

- ABLE accounts are a way to save for disability-related expenses, tax-free
- Earnings (income from an investment account or interest from a savings account) are compounded and tax advantaged
- Withdrawals are federally tax-free when used for qualified disability related expenses
- **Saver's Credit** \*for some eligible account owners

<https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-savings-contributions-savers-credit>



# Eligibility

*Who is eligible to have an ABLE account?*

# Eligibility for ABLE

To be eligible, individuals can be any age and must meet two requirements:

1. **Disability onset before age 46** (per [ABLE Age Adjustment Act](#)); **and**
2. **One of the following is true:**
  - Saver is receiving SSI or SSDI; OR
  - Saver has as a disability that is included on the [SSA list of compassionate allowances](#) conditions; OR
  - Saver is blind or has a physical or mental impairment that has severe functional limitations and has a written diagnosis from a licensed physician that can be produced if requested. [Click Here for Sample Disability Certification Form](#)

# How does one qualify?

1. **Self-Attest/Self-Certify** that the saver meets the criteria aforementioned
2. **Saver doesn't already have an existing ABLE account**  
*Saver may only have one ABLE account, regardless of state residence*



# Opening & Managing an ABLE account

# NJ ABLE Maximum Contributions

**\$20,000 per year max\*** 2026

*\*Plus more if the ABLE saver is employed, per legislation through 'ABLE To Work Act'*

Balance Limit:

**\$305,000 (NJ-specific)**

# Saving Options with ABLE



**Debit/Checking  
Bank Account**  
Managed by Fifth  
3rd National Bank,  
FDIC insured



**Portfolio/Investment  
Account**  
Managed by Ascensus  
Investment Advisors, LLC



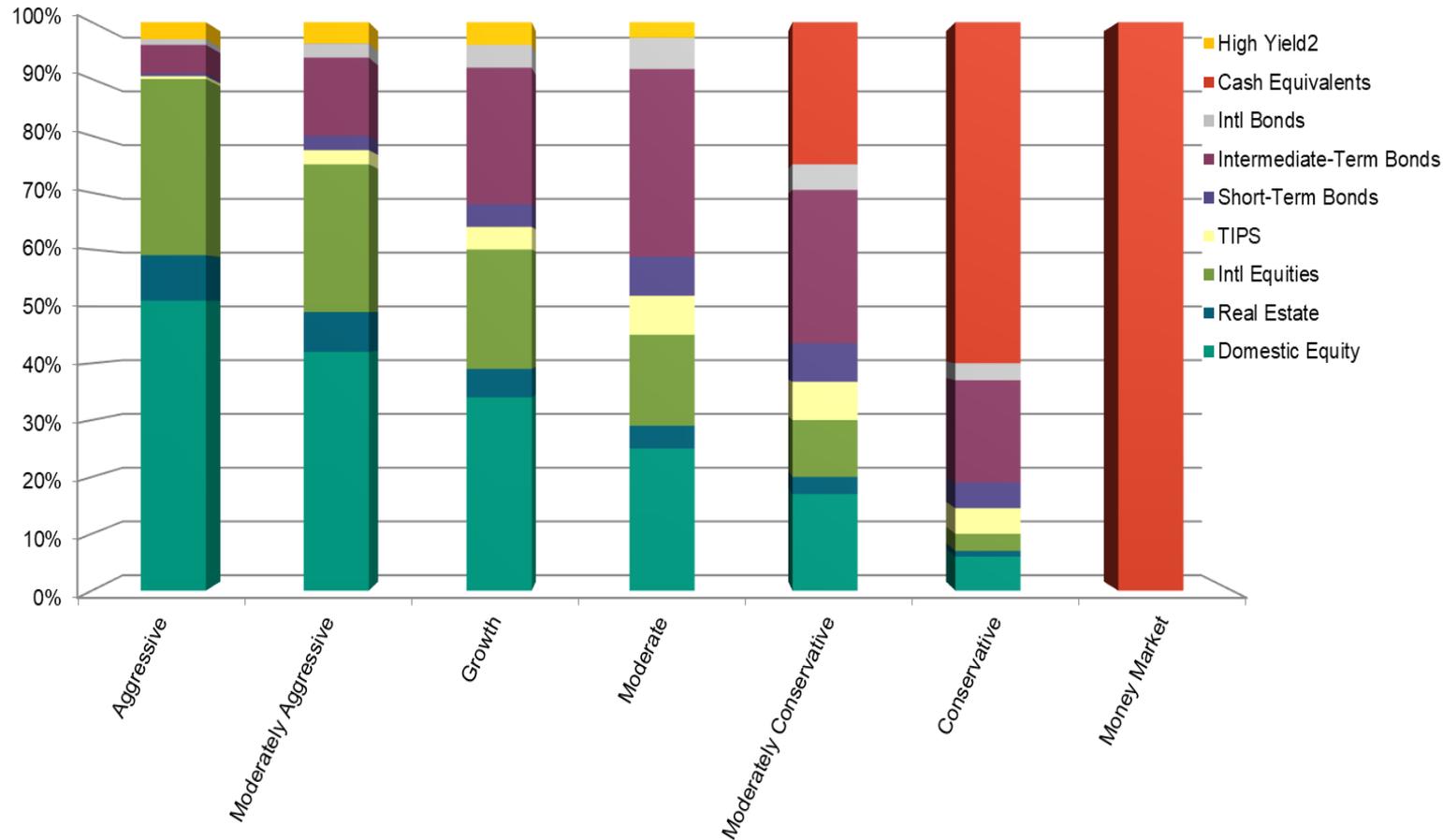
**Or a Combination**

# Checking/Savings Account Option

- 100% of assets are deposited into an FDIC-insured, interest-bearing checking account
- May receive a Fifth 3<sup>rd</sup> Bank debit card with over 55,000 free partner ATM's (find them here: [www.53.com](http://www.53.com))
- May opt for paper checks
- \$0 overdraft for returned payment fees



# Seven Asset-Allocation Investment Options



## Investment Options to Fit Your Needs

- Seven options with a varied mix of stocks, bonds, and cash investments ranging from aggressive to conservative
- Chose from one or all
- Move or change funds up to twice per year
- Change new contribution options, at any time

# Opening an Account

- An ABLER account saver (a person with a disability) can enroll and open an ABLER account
  - A saver can choose to designate an Authorized Representative (AR) signature authority
  - A deposit of at least \$25 will activate the ABLER account for use
- Eligible individuals lacking legal capacity\* to open an account must be assisted by an Authorized Individual (AI) or Authorized Representative (AR), in order of legal hierarchy

\*Minor children and adults without legal capacity



# Who are Authorized Individuals/Representatives?

- Who can have signature authority?

(By **order of priority**):

- Power of Attorney
- Conservator or Legal Guardian
- Spouse
- Parent
- Sibling
- Grandparent
- **Social Security Representative Payee**



# Ways to OPEN a NJ ABLE Account

- **Online:**

- [www.savewithable.com/nj/home.html](http://www.savewithable.com/nj/home.html)

- **Call Ascensus:**

- **1-888-609-8869**

- **US Mail:**

Print a paper application and mail to:

**NJABLE P.O. Box 219289 Kansas City, MO 64121**

**Tips:**

- Be sure to verify which state's ABLE program is being enrolled in - make sure the correct one is selected!

- Have available SS #, State ID# and bank information for initial funding.

# How to Contribute

Anyone can make contributions to an ABLE account, up to the maximum amount via:

- Online by bank transfer
- Mail a check or money order
- Payroll Direct Deposit
- Recurring Contributions
- Ugift: online secure gifting portal
- 529 to 529A (ABLE) Rollover



# How to Withdraw



**NJ ABLE debit card**



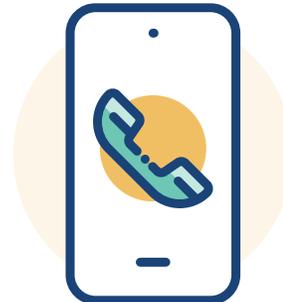
**Write a check**



**ATM withdrawal**



**Online request**



**Call NJ ABLE**



**In writing**

# Additional Contributions Above \$20,000

## “ABLE to Work Act”

- Allows ABLE account beneficiaries who work and earn income to contribute above the \$20,000 annual contribution limit
  - **How much more?** Up to \$35,650 combined
  - *Additional contributions above \$20,000 are allowed up to the annual federal poverty limit (\$15,650 for 2026), or up to the amount of the savers earned income, whichever is less*
- Contributions above \$20,000 are limited to contributions made specifically by the account beneficiary into the ABLE account – no gifting
- **Additional contributions are only allowed if the beneficiary is not participating in his/her employer-based retirement fund**
- To enroll, complete the document in the forms section at [NJ.SaveWithABLE.com](https://NJ.SaveWithABLE.com) or call 1-888-609-8869



# NJ ABLE: FREE To Open, Low fees

Each Account is charged an account maintenance fee: **\$14/ qtr (\$56/year)**

Opt for e-Statements for a reduced fee: ***Fee drops to: \$7.75/qtr (\$31/year)***

Checking Account Fee: **\$2.00/month**

Maintain an average daily account balance of \$250

or if option for E-delivery is selected: ***Fee drops to \$0/month***

Investment accounts are charged an asset-based fee: **Currently less than 1% (.28% - .34%)**

# Additional Details & Considerations

# Qualified Disability Expenses

- ANY expense that is incurred as a result of living with a disability and is intended to improve health, independence and quality of life
- Not limited to medical necessity

- Education
- Health, Prevention & Wellness
- Housing
- Transportation
- Legal fees
- Financial management
- Employment training and support
- Assistive technology
- Personal support services
- Oversight & monitoring
- Funeral and burial expenses



# Special Needs Trusts vs. ABLE Accounts

What are some differences between an ABLE account & a SNT or Pooled Income Trust?

## Complimentary Tools That Can be Used Together

### ABLE Accounts

- ✓ Broader spending power (i.e. housing & food)
- ✓ Easy access to funds
- ✓ No federal income tax on earnings
- ✓ Can be established, administered, and owned by an individual with a disability

### SNT

- ✓ Trusts can make distributions into ABLE accounts
- ✓ Trusts can accept unlimited cash and non-cash assets
- ✓ Can accept larger annual deposits

## ABLE & SNT Comparison Chart

# Resources & Contacts

# ABLE Resources

- **ABLE National Resource Center:**

[www.ablenrc.org](http://www.ablenrc.org)

- **Social Security Administration on ABLE Accounts:**

<https://secure.ssa.gov/poms.nsf/lnx/0501130740>

- **Internal Revenue Service (IRS) on ABLE Accounts:**

<https://www.irs.gov/government-entities/federal-state-local-governments/able-accounts-tax-benefit-for-people-with-disabilities>

- **ABLE Today:**

<https://www.abletoday.org/>

# Contact Information

## NJ ABLE

Ascensus (Program Manager): **1-888-609-8869**

Fifth Third Bank (checking account): 1-888-516-2375

**NJ ABLE Email:** [DHS.NJABLE@dhs.nj.gov](mailto:DHS.NJABLE@dhs.nj.gov)

**DDS Phone:** 1(888) 285-3036

NJ ABLE presentations available throughout NJ.

To sign up for DDS Email List-Serv: [Click Here](#)

To view the NJ Disability Information Hub: [Click Here](#) or scan:

