



## 529A ABLE Accounts

In 2014, Congress passed the Achieving a Better Life Experience (ABLE) Act, which authorizes individuals with special needs to establish ABLE accounts, which are special savings accounts. Before the ABLE Act went into effect, individuals who saved more than \$2,000 were at risk of losing their Medicaid or SSI. Now, individuals can save up to \$100,000 in ABLE accounts without those funds counting against their eligibility for these benefits.

Another advantage of ABLE accounts is that individuals with disabilities can open them up on their own, unlike most special needs trusts. This feature gives individuals more control over the funds, rather than asking a trustee to disburse the funds according to the terms of a trust. ABLE accounts, however, cannot take the place of special needs trusts for a couple of reasons: 1) there is an annual contribution limit of \$18,000, and 2) they cannot be named as beneficiaries in life insurance policies, 401Ks, and Last Wills and Testaments, which is needed for special needs estate planning. Note too, that ABLE accounts include a Medicaid payback clause, so family members may want to limit their contributions, but they are a GREAT place for the individual's money.

Individuals must have a disability (before the age of 26) to be eligible to open an ABLE account. However, beginning in 2026, individuals will become eligible to open ABLE accounts if they become disabled before age 46.

An individual is limited to having 1 ABLE account. Regular banks do not maintain ABLE accounts. Instead, each state maintains an ABLE program. Individuals are not limited to opening an ABLE account in their state of residence, but Virginia's ABLE account provides a state tax deduction for contributions.

fit in with Special Needs Trusts and Representative Payee Accounts, please feel free to set up a free consult on our website. If you are interested in opening an ABLA account in Virginia, please click on the link below.

[ABLEnow.com](http://ABLEnow.com)

## Reminder: LOGO CONTEST for Lighthouse Disability Law

Lighthouse Disability Law's logo contest is still open and we encourage anyone who is interested to send in their design!

[Logo Contest](#)

## Upcoming Events

Please come out and join us at these events!

Saturday, March 2, 2024



Stafford County Public Schools  
I'm Determined Conference

Event Flyer



## Fauquier County Public Schools Transitions and Disability Fair

Event Flyer

Saturday, March 16, 2024



## Piedmont Regional Education Program 2024 Life After High School Transition Conference & Fair

Event Flyer

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