



A program of the
Tennessee Treasury Department

ABLE accounts are tax-free savings vehicles for individuals with qualified disabilities. These accounts are easy-to-open, easy-to-use and provide the ability for long-term financial planning, allowing for financial freedom and empowerment.

Account Information

Accounts are easy to set up and manage; no legal representation is required. An account may be created by the beneficiary, parents/guardians or a third party. Beneficiaries are limited to one ABLE account at a time.

- An initial contribution of \$25 is required to open an account
- Investment options may be reallocated bi-annually
- ABLE TN accounts have low annual fees
 - .35% for most investment options
 - For example, an account with a \$14,000 balance would incur an annual fee less than \$50
 - No fee for the FDIC-insured Bank Product
- ABLE accounts have annual and lifetime contribution limits, currently \$14,000 and \$350,000, respectively

Who is eligible?

- A disability must have been present before the 26th Birthday
- An individual must meet at least one of the following:
 - Eligible to receive SSI or SSDI benefits based upon blindness or disability
 - Have a disability diagnosis from a qualified physician





Social Security and Medicaid Information

- Funds up to \$100,000 in an ABLÉ account are excluded from income for federal means testing.
- When funds exceed \$100,000 (+ \$2,000 personal assets), SSI benefits will be suspended. Medicaid eligibility will not be affected by ABLÉ accounts, and SSI benefits will resume as soon as resources are compliant with SSI regulations.
- There are no federal taxes on earnings from the growth of funds in an ABLÉ account.
- Funds are exempt from all state, county, or municipal taxes.

How can ABLÉ account funds be used?

ABLE accounts may be used for a wide array of qualified disability related expenses; *including but not limited to:*

- Education
- Housing
- Transportation
- Health and Wellness
- Home Improvement
- Assistive Technology
- Employment Support
- Financial Management
- Administrative Services
- Legal Fees



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