

Six Steps to Setting up your ABLÉ Account in Wisconsin

ABLE Accounts allow Wisconsin residents with disabilities to save money without changing their eligibility for Medicaid (including programs like Family Care, IRIS, Katie Beckett) and SSI, or without reducing their monthly SSI payments. ABLÉ Accounts encourage people with disabilities to work and earn more to save their money for things they need!

1 Find out if you are eligible for ABLÉ?

You must know whether you (or your child) qualify for an ABLÉ account in order to open one. You also must meet two requirements: you must have become disabled before the age of 26 (you don't have to be under age 26 to use an ABLÉ account) and your disability must be "severe" enough. This means you are someone who qualifies as having a disability through the Social Security Administration (you might receive SSI or SSDI) or you receive a special disability certification from your doctor.



2 Choose the best ABLÉ program for you.

Wisconsin does not administer its own state ABLÉ program, however, Wisconsin residents can choose to use ABLÉ programs in many other states. There is a Wisconsin State Tax Deduction available to whomever makes the ABLÉ contribution. Each state program will be different. For instance, a program may charge different types of account fees or allow you to use a debit card or checks. Some may require a minimum amount to open your account as well as a minimum balance to maintain the account annually. You can always ask a trusted friend or family member to help you make the right choice for you.

The ABLÉ National Resource Center has developed a tool that allows you compare different types of state ABLÉ Account programs: http://www.ablenrc.org/state_compare.

3 Set up your ABLÉ Account.

Once you have chosen the right state program for you it is time to enroll. Each state program has its own process for enrollment. You may be able to complete your enrollment online, or on paper. Each program's website will have a phone number to call with questions. Once you're set up, you can make your first contribution!





4 Know how much you and others can put into your account. In Wisconsin you (or someone who wants to give you money) can only put up to \$15,000 total in your ABLE Account in one year. If you are working and paying taxes, you may be able to contribute up to \$12,060 more in your account each year. You can only have one ABLE Account in your name. Your federal SSI benefits eligibility (for your monthly SSI payment) will not change unless your ABLE account total goes over \$100,000. You must still count for SSI any income you earn, even if you deposit income in your ABLE account.

5 Spend money from your ABLE account only on things that are allowed. You can take your ABLE account money out of your account at any time (some people use an ABLE debit card) to spend only on “qualified disability expenses” that help your health, independence, or quality of life. This means that you could save money to go to school, take a class, buy a car, put a down payment on a house or pay for your transportation. There are many other things you can use ABLE for that will help you live a good life!



There are some special rules for using ABLE account money to pay rent or other housing costs, so be sure to check those out. If you wonder if something you want to spend money on qualifies, go here:

www.ablenrc.org



6 Keep good records! If you are using your ABLE account correctly – not saving more than \$15,000 per year and not spending money on things that are not allowed, you should be fine. However, you are responsible for keeping receipts and records. You or someone helping you must always be able to answer questions about how you spent your ABLE money on qualified expenses. If you break the rules, you might have to pay additional taxes or it could impact your eligibility for SSI or other federal programs.

What if you have questions? Contact The Arc Wisconsin or your local chapter of The Arc for help or to refer you to a financial planner.

Note to Parents: Check with an experienced special needs estate planning attorney on whether the special needs trusts for your child needs to be amended to allow future contributions to be made from the trust to your child’s ABLE account. ABLE accounts are not a substitute for having a special needs trust as part of your estate plan, but the combination can be very helpful.


The Arc
Wisconsin
The Arc Wisconsin
www.arcwi.org
info@arcwi.org
608-422-4250