



# DISABILITY POLICY

## WEBINAR SERIES

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**JUNE 11, 2021**

# Welcome

## A FEW DETAILS BEFORE WE GET STARTED...

- LOCATE THE ORANGE ARROW (IN THE UPPER RIGHT-HAND CORNER OF THE SCREEN), THIS TOGGLES YOUR GO TO WEBINAR CONTROL PANEL. IF YOU'VE JOINED VIA THE APP ON YOUR PHONE, THE CONTROL PANEL IS IN A PULL-DOWN MENU AT THE TOP OR BOTTOM OF YOUR SCREEN.
- IF YOU HAVE AN ISSUE WITH YOUR AUDIO, OPEN THE AUDIO TAB IN THE CONTROL PANEL AND DO THE MIC & SPEAKERS "SOUND CHECK".
- PARTICIPANTS ARE MUTED FOR THIS PRESENTATION. QUESTIONS/COMMENTS CAN BE TYPED INTO THE GTW QUESTION WINDOW WITHIN THE CONTROL PANEL.
- A LINK TO THE HANDOUTS WILL BE SHARED IN THE CHAT AREA AND AT [WWW.ARCMI.ORG](http://WWW.ARCMI.ORG).
- IF YOU "LOSE" THE GTW SCREEN, CLICK ON THE BLUE FLOWER ICON IN YOUR TASKBAR.



**Michigan  
Department of  
Treasury**

529(A) ABLE  
Saving Accounts



**MI ABLE**

**Disability Savings Program**

**The ABLE Act and its history**

**National ABLE Features**

**Michigan ABLE Features & Demo**

**Questions and Answers**



**MI ABLE**

Disability Savings Program



# THE ABLE ACT AND ITS HISTORY

# The Stephen E. Beck, Jr. Achieving a Better Life Experience (ABLE) Act

- ABLE passed December 2014 with overwhelming Congressional support
- ADA Not Only “Accessibility” but also to allow “Economic Self Sufficiency”
- New 529A section of IRS code and authorized tax advantaged saving programs for individuals with disabilities (final rules issued October 2020)
- Enables saving for future expenses, while protecting eligibility for public benefits
- Earnings grow TAX FREE if funds used for Qualified Disability Expenses (QDE)



# **NATIONAL ABLE FEATURES**

# ABLE Account Features

- Limit one ABLE account per “eligible individual”
- Account owner is the designated beneficiary
  - Parent, Grandparent, Spouse, Sibling, Powers of Attorney, Guardians, and SSA designated Representative Payee permitted to open ABLE accounts
- Total annual contributions cannot exceed federal gift tax limit
  - \$15,000 (Subject to annual IRS changes) regardless of source
  - Additional contributions (\$12,880) allowed for some ABLE beneficiaries
  - Rollovers from 529 Education accounts allowed (Sunsets 2025)



# ABLE Account Features

- ABLE Assets excluded for Medicaid Eligibility
- Medicaid “Claw-back” provisions
  - Michigan Medicaid has not made a claim to MiABLE accounts
- ABLE Assets over \$100,000 count as a Resource for SSI
  - Eligibility does not change
  - Payments are suspended once \$100,000 is reached

# Who is Eligible to Open an ABLE 529?

- Anyone who became disabled prior to age 26 \*
  - SB 331 & HR 1219 Proposed in 2021 to raise onset age to 46
- No ABLE account in any other State
- 3 methods to prove eligibility:
  - Eligible for SSI or SSDI due to disability
  - Have a Condition listed on SSA Compassionate Allowances List
  - Self Certification

# What can ABLE Assets/Funds be used for?

Distributions from ABLE accounts must be made for “Qualified Disability Expenses” (QDE)

- QDE are costs related to the beneficiary’s blindness or disability
- Are for the benefit of the beneficiary
- Tracking QDE is the responsibility of the designated beneficiary or authorized representative
- Disability Expenses are subject to audit by the IRS &/or SSA

# ABLE Fund usage

QDE is meant to be as broad as possible & includes the expenses of everyday living

- Education
- Housing
- Transportation
- Health Care/Medical Costs
- Employment Training Programs
- Assistive Technology
- Personal Support Services
- Legal, Financial Management, and Administrative services
- End of Life Expenses

Distributions for non-qualified expenses will be subject to tax consequences and may impact eligibility for federal means tested benefits.



# **MICHIGAN ABLE FEATURES & DEMO**

# Tax Implications/Michigan Features

- State of Michigan: Michigan ABLE contributors can claim up to a \$5,000 (single filer) or \$10,000 (joint filers) deduction on their Michigan income tax returns
- Michigan has one of the highest allowable 529 limit (\$500,000.00)
- 5 Investment Options (100% Stock to 20% stock) Varies in Risk and Cost
  - Investment costs under 1.0%
  - Program Management Fee 0.5%
  - Annual Fee \$45 annually
- 2 Investment Changes allowed annually
- Moving from Investment to Cash for distribution is not an Investment Change
- 1 FDIC insured Money Market Account Option w/Optional Debit Card
- Advisor Option

# MiABLE VISA Card

- **Customer Service:**  
(844) 656-7225
- [www.miable.org](http://www.miable.org)
- for more information or  
to Enroll



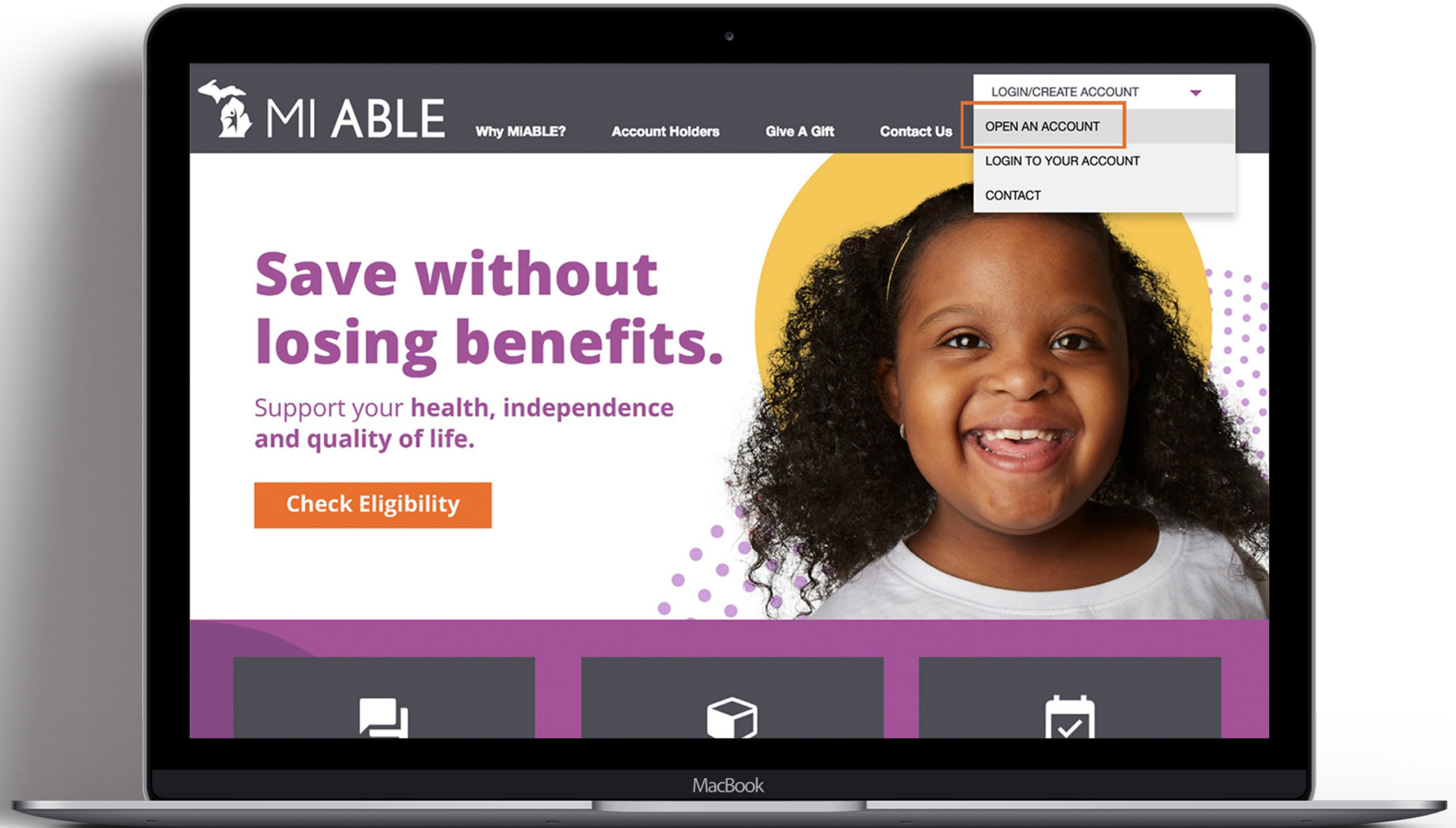
# ABLE or Special Needs Trust

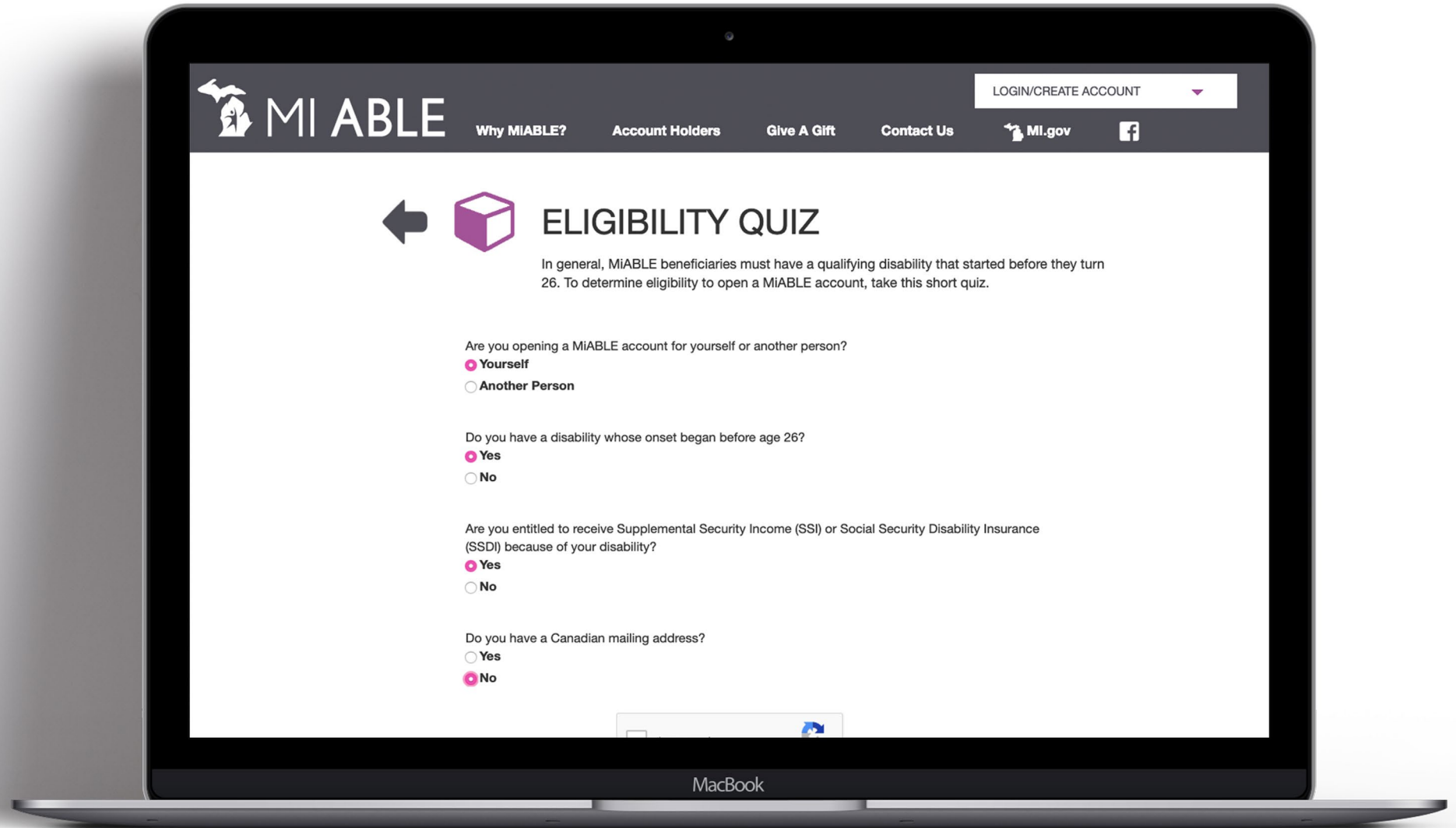
*“Another Tool in the Tool Belt”*

Some benefits specific to MiABLE Accounts:

- Cost-Effective
- Broader spending power (i.e. housing)
- Easy online account access
- State tax deduction for MiABLE contribution
- No federal income tax on earnings or returns to file
- Can be established, administered, and owned by individual with disability









## ABLE Registration

Please provide the following information to set up your account. Your Username can be up to 18 characters (letters, numbers, symbols). Your password needs to be at least 8 but no more than 16 characters. Password is case-sensitive.

### Create Your Account

Username \*

Password \*

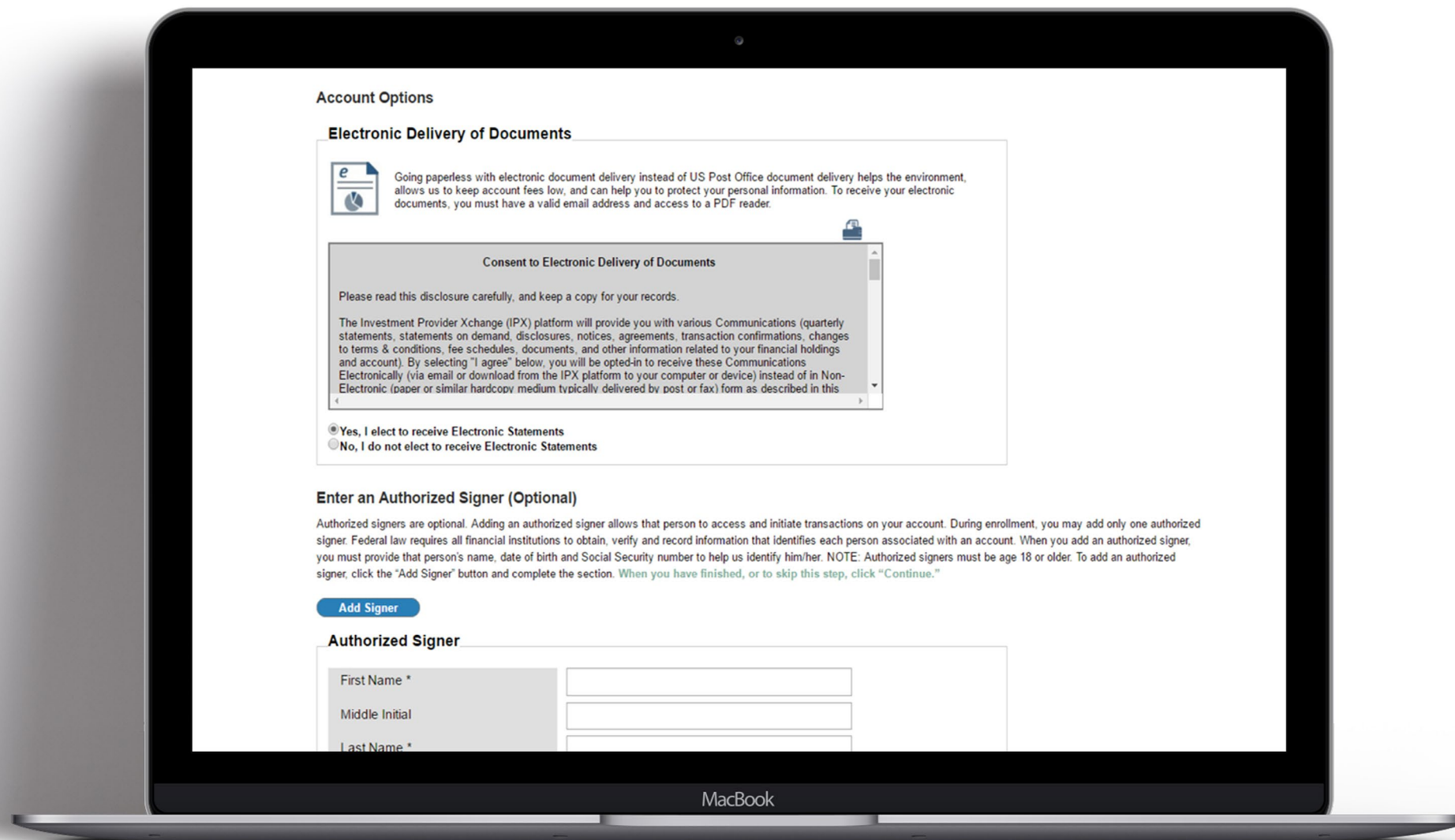
Confirm Password \*

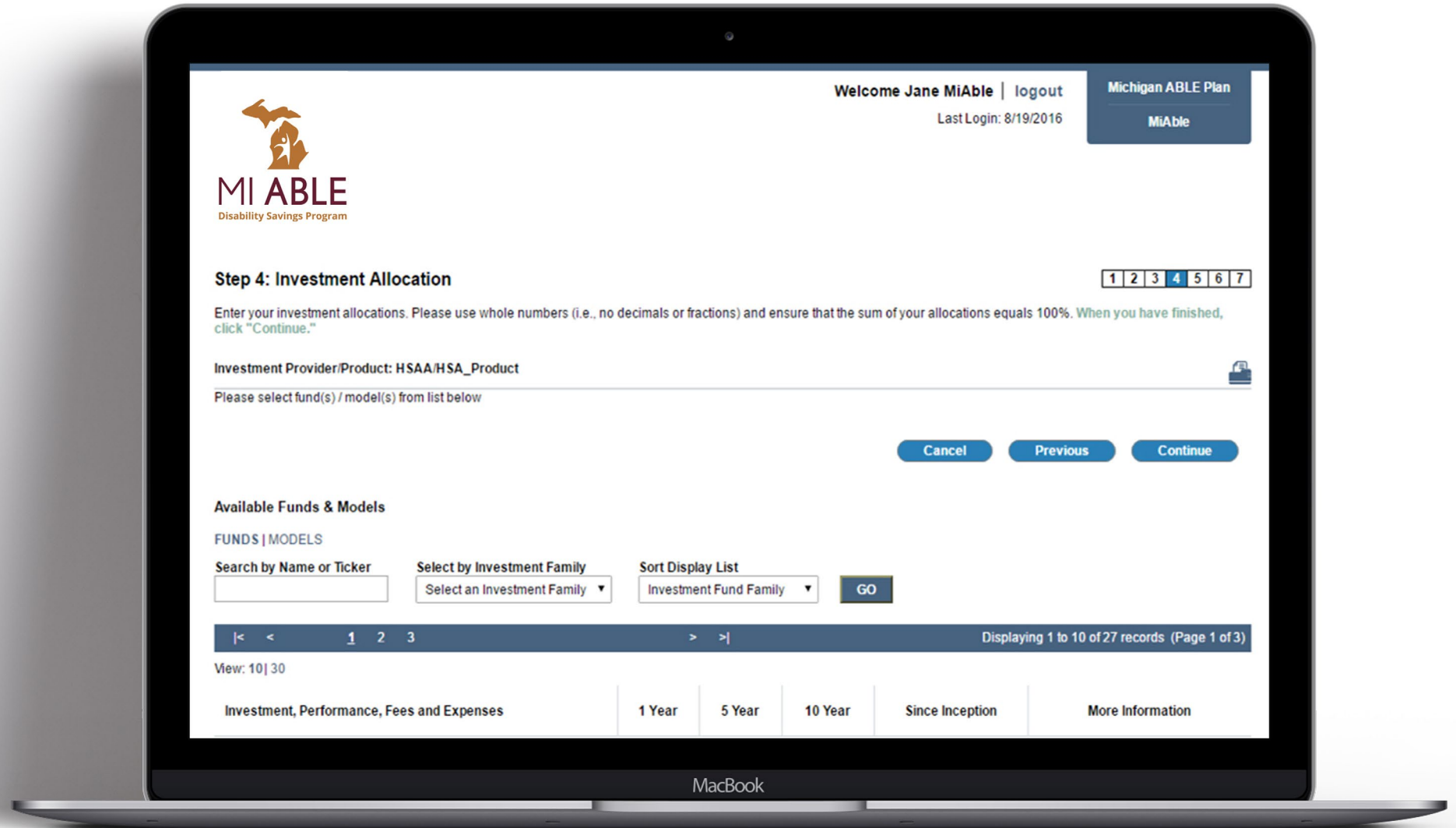
### Tell us about this account

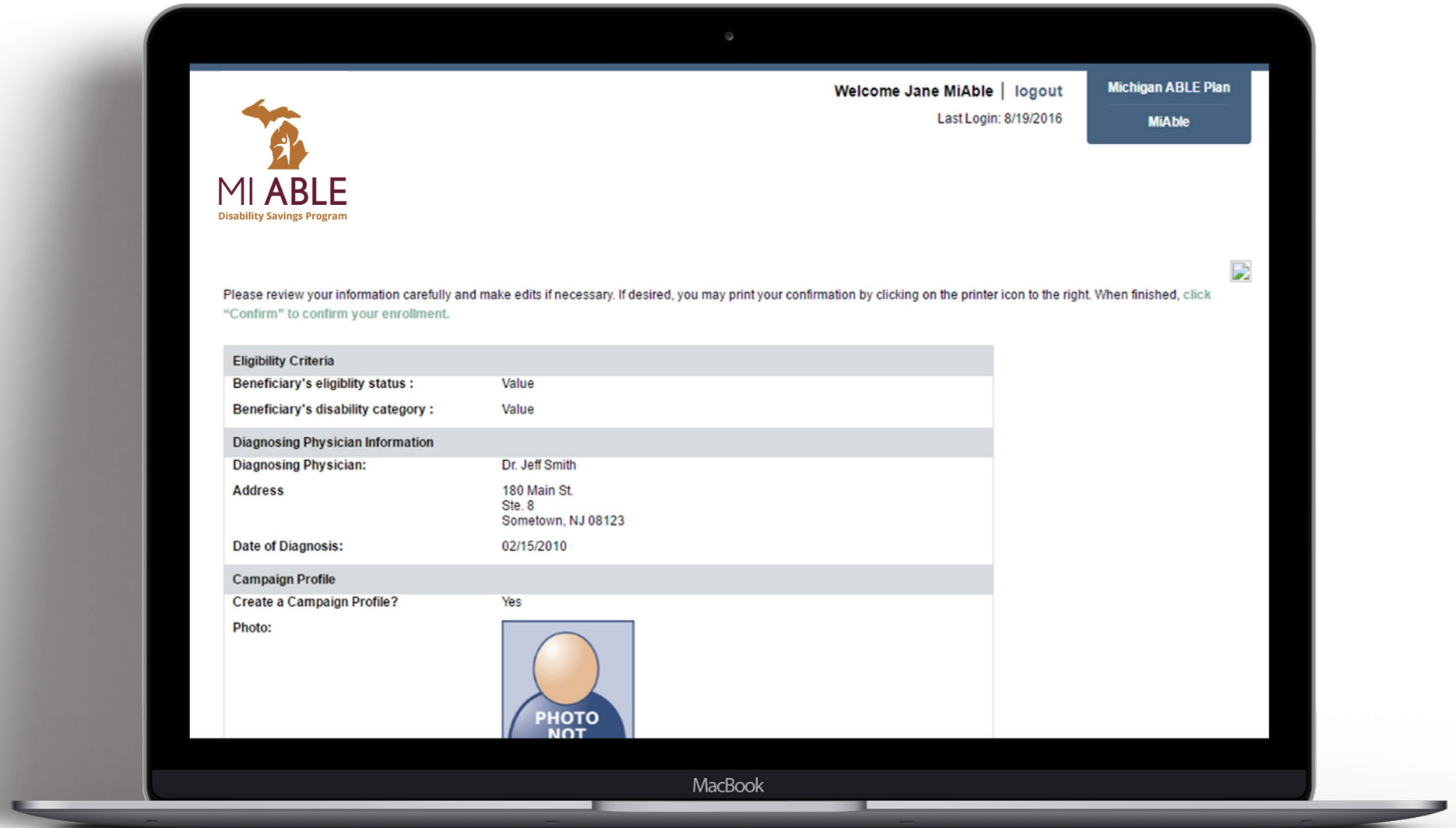
Are you establishing this account on your own behalf? \*

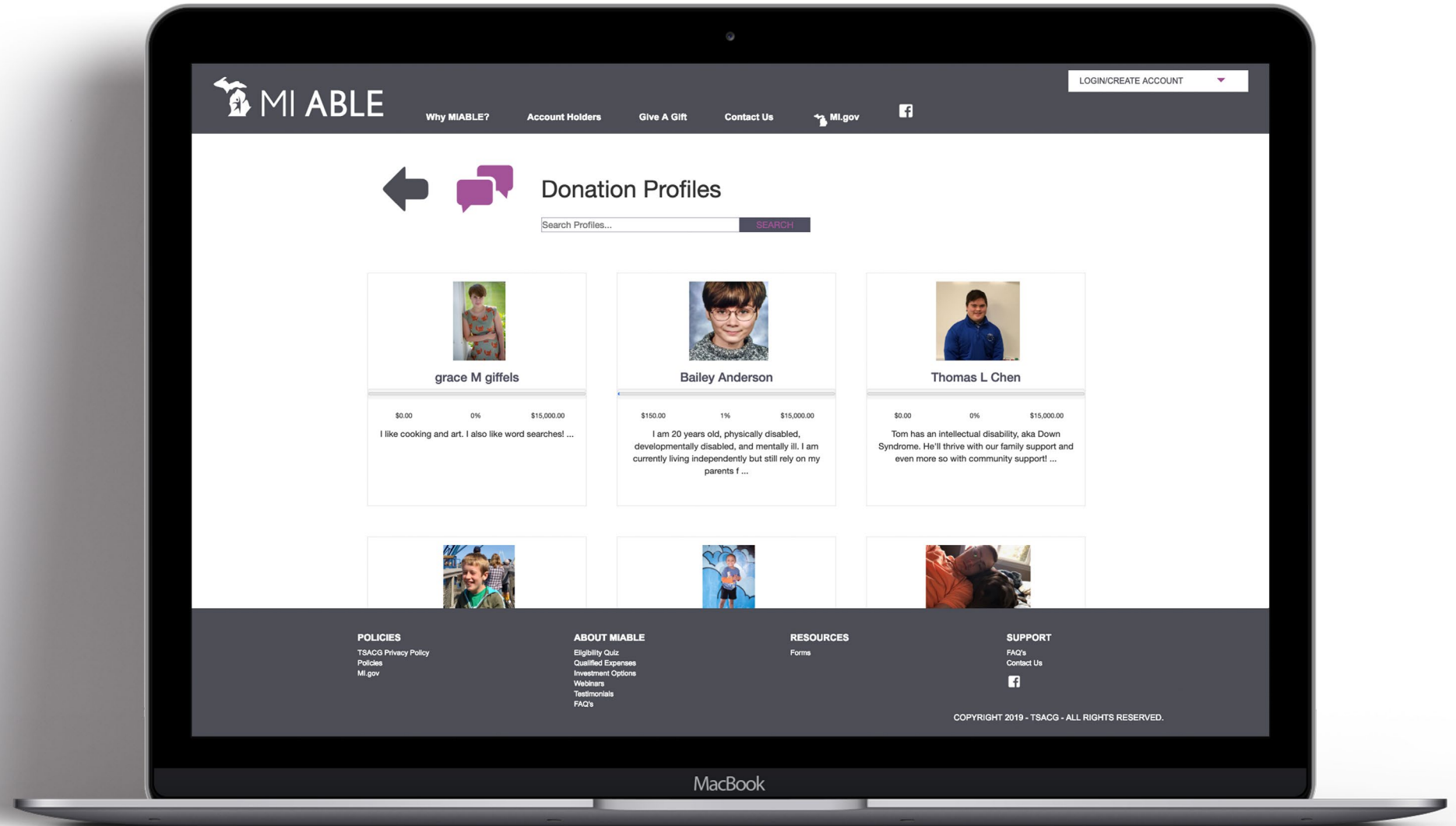
- ☐ Yes, I am the Beneficiary. I am the person with the disability
- ☐ No, I am a Parent of the Beneficiary
- ☐ No, I am a Legal Guardian of the Beneficiary

MacBook

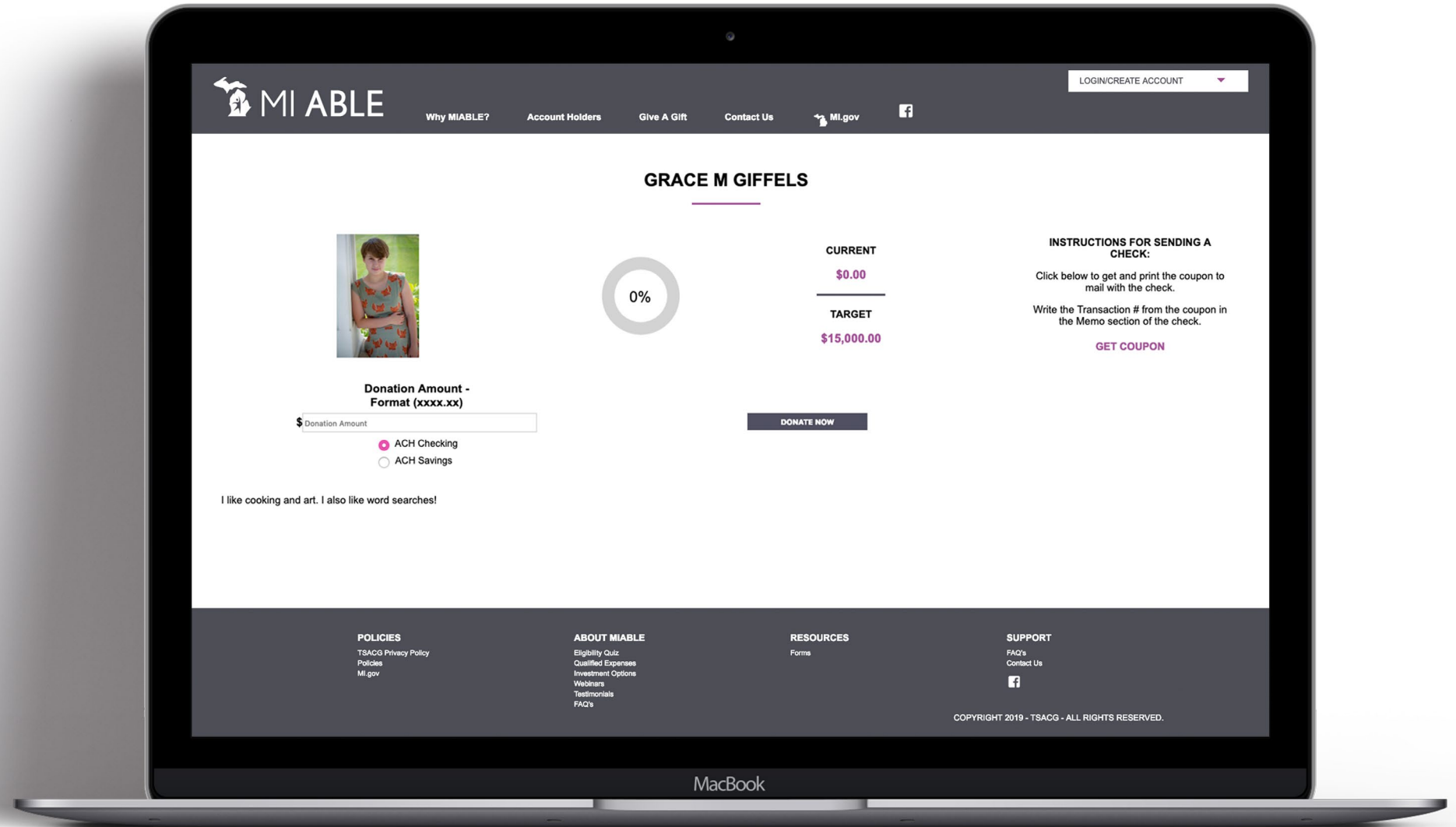




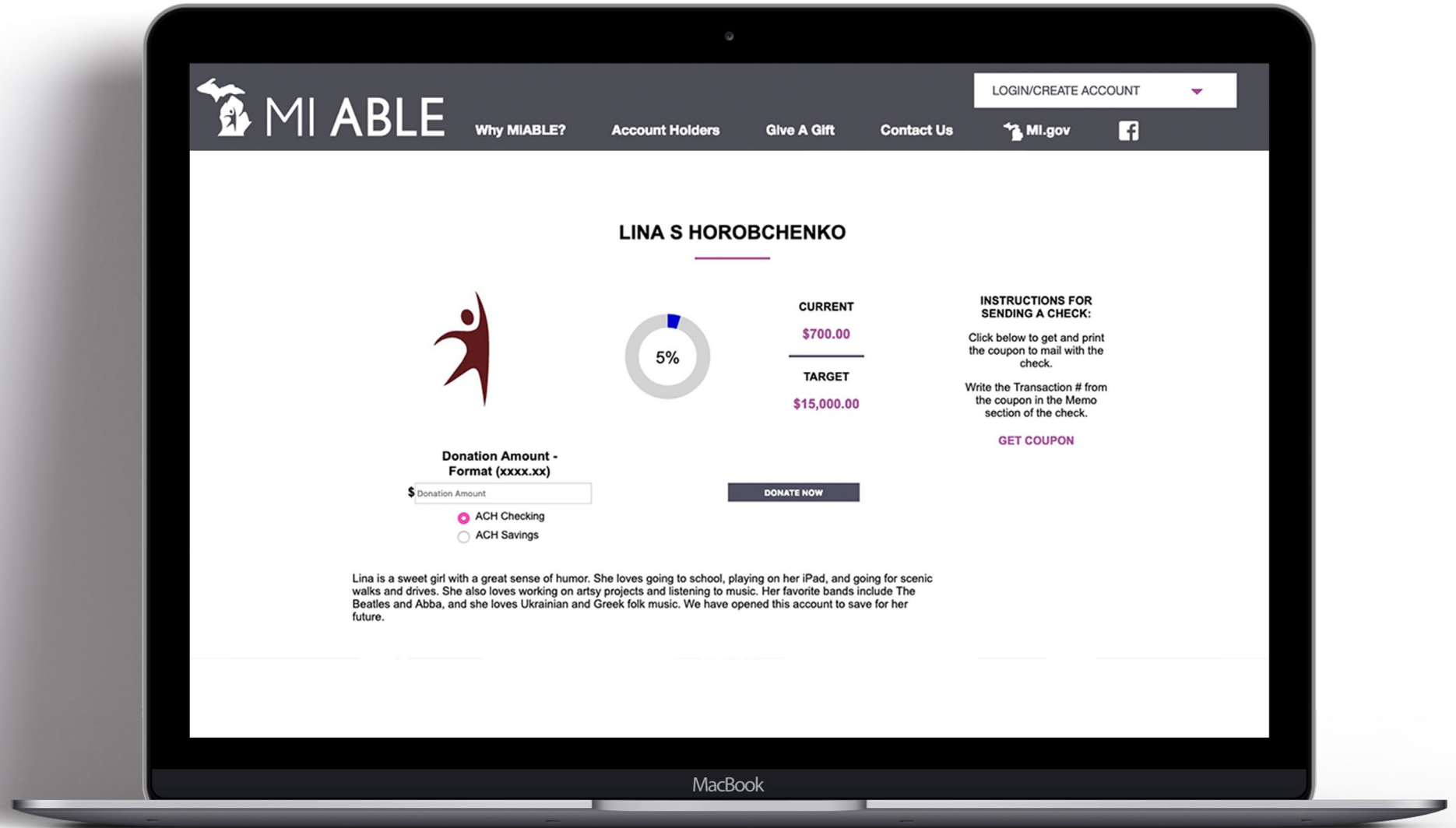














# QUESTIONS & ANSWERS

# Outreach and Education

MiABLE Outreach is continuing and ongoing

Please send requests for virtual presentations to  
**[MiABLE@michigan.gov](mailto:MiABLE@michigan.gov)**

## Contact Us

Enrollment:

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

Customer Service:

**844-656-7225**



# MIABLE

**Disability Savings Program**

# LET'S STAY IN TOUCH!



A RECORDING OF TODAY'S PRESENTATION WILL BE UPLOADED TO  
OUR WEBSITE AT [WWW.ARCMI.ORG](http://WWW.ARCMI.ORG)

JOIN US NEXT FRIDAY AT 10<sup>a.m.</sup>, TO HEAR FROM BELINDA HAWKS, DIRECTOR,  
DIVISION OF QUALITY MANAGEMENT AND PLANNING, BEHAVIORAL HEALTH  
AND DEVELOPMENTAL DISABILITIES ADMINISTRATION, MICHIGAN  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

YOU'RE ALREADY REGISTERED, WE'LL SEE YOU THERE!

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