

Making the Most of ABLE Accounts and the Saver's Credit for Disability-Related Expenses

ABLE accounts offer valuable tax advantages for eligible individuals with disabilities. These accounts provide a way to save while maintaining eligibility for certain benefit programs.

Key Features of ABLE Accounts:

- Tax-advantaged savings program for eligible individuals
- Must have disability onset before age 26
- Annual contribution limit of \$18,000 (2024)
- Anyone can contribute to the account
- Earnings grow tax-free when used for qualified expenses

Qualified Disability Expenses:

- Education and housing
- Transportation
- Employment training
- Healthcare and wellness
- Assistive technology
- Personal support services
- Financial management
- Legal fees
- Funeral expenses

Additional Benefits for Working Beneficiaries:

- Employed beneficiaries can contribute additional amounts
- Contributions qualify for the Saver's Credit
- Helps maintain independence while saving for future needs

Remember that distributions must be used for qualified disability expenses to remain tax-free. Proper documentation of expenses helps ensure compliance and maximizes the account's benefits.

ABLE accounts combined with the Saver's Credit provide powerful tools for managing disability-related expenses while building financial security for the future.

This information is provided to you by Arrowhead Tax Service. We make every effort to provide honest and accurate tax information. Please use your discretion before making any

decisions based on the information provided, every tax situation is different. If you have any questions, please visit our office or call us at 937-543-5770.