

Achieving a Better Life Experience (ABLE) Savings Accounts

Fact Sheet for Virginia's Parents

What is an ABLE Account?

An ABLE (Achieving a Better Life Experience) account is a tax-advantaged savings account that helps individuals with disabilities save money without affecting their eligibility for important benefits like Supplemental Security Income (SSI) and Medicaid. Funds in an ABLE account can be used for qualified disability expenses.

Who Can Open an ABLE Account?

To qualify for an ABLE account, the individual must:

- ✓ Be a U.S. Citizen or a legal resident in the state where they live.
- ✓ Have a **disability that began before age 46** (this is a change as of January 1, 2026).
- ✓ Be eligible for **SSI, SSDI**, or have a condition listed on the Social Security Administration's List of Compassionate Allowances or a physician's diagnosis.
- ✓ Must certify (or have a parent or guardian certify) that they have a qualifying disability.



ABLE Accounts Helps Protect Public Benefits

ABLE accounts allow individuals with disabilities to **save and invest for future expenses without having those funds count against them for purposes of benefits eligibility**. Virginia's program is called **ABLENow**. You can open an account in a different state if they allow non-state residents to participate.

You can have an **ABLE account and maintain eligibility for benefits**, including Medicaid, the Supplemental Nutrition Assistance Program (SNAP), Social Security Disability Insurance (SSDI), housing assistance programs, and federal financial aid for higher education.

ABLE account balances below \$100,000 do not impact **Supplemental Security Income (SSI)** payments. Money in an ABLE account does not affect public benefits provided by the Commonwealth of Virginia, including Medicaid.

What Can ABLE Funds Be Used For?

ABLE account funds can pay for **qualified disability expenses**, including things like

- education,
- housing and utilities,
- transportation,
- health and wellness,
- employment supports,
- basic living needs, and more.

Key Points About ABLENow (Virginia's ABLE Program)

- Money grows **tax-free** in an ABLENow account, and Virginia residents may be eligible for a tax credit for contributing to the account.
- There are **investment options** from which account holders can choose.
- There is **no enrollment fee** and **low annual costs**.
- A debit card is provided to account holders, and accounts can be managed online.
- A person can have an ABLE account and a Special Needs Trust.

To learn more about ABLENow account eligibility, contributions, withdrawals, qualified expenses, and account usage, visit www.ABLENOW.com. We also recommend consulting a financial advisor to make informed decisions for you and your family.

ADDITIONAL INFORMATION/RESOURCES:

Social Security Administration – Payee and ABLE Accounts | Representative Payee Program
Investopia.com – Special Needs Trust vs. ABLE Account: What's the Difference?
Social Security Administration – Spotlight on Achieving a Better Life Experience (ABLE) Accounts
ABLENow – Tax Advantages of an ABLE Savings Account
ABLE National Resource Center – What are ABLE Accounts?

PEATC's mission focuses on building positive futures for Virginia's children by working collaboratively with families, schools and communities to improve opportunities for excellence in education and success in school and community life.

For more information about us, please contact:

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