**The ABLE Age Adjustment Act (S.331/H.R.1219) Talking Points**

**Talking Points**

* Passed with bipartisan support by Congress in 2014, the Stephen Beck, Jr., Achieving a Better Life Experience Act (ABLE) Act allows eligible people with disabilities to establish “ABLE accounts'' where they can save for qualified disability expenses without jeopardizing their public benefits. Like college savings (“529”) accounts, earnings on an ABLE account and distributions from the account for qualified disability expenses do not count as taxable income of the contributor or the eligible beneficiary.
* Prior to the passage of the ABLE Act, very few savings mechanisms existed that allowed people with disabilities who depended on public benefits (such as Medicaid and Social Security) to save more than $2,000 in assets.
* ABLE accounts are only available to people whose disability onset prior to their 26th birthday. Many individuals who could benefit from ABLE accounts are left out, since many conditions can and do occur later in life, including multiple sclerosis, Lou Gehrig’s disease or paralysis due to an accident. Additionally, veterans who become disabled after age 25 are currently ineligible for ABLE accounts.
* The ABLE Age Adjustment Act would amend Section 529A(e) of the Internal Revenue Code to increase the eligibility threshold for ABLE accounts for onset of disability from prior to age 26 to prior to age 46.
* Passing the ABLE Age Adjustment Act would nearly double the currently eligible population and improve the sustainability of ABLE programs nationwide. Most importantly, this bill would enable people with a variety of later-onset disabilities to realize the benefits of ABLE accounts to increase their financial security.