

## PROTECTING YOURSELF NOW AND PLANNING FOR YOUR FUTURE: SAVING AN ECONOMIC IMPACT PAYMENT IN AN ABLE ACCOUNT

### HOW TO APPLY FOR YOUR ECONOMIC IMPACT PAYMENTS

The U.S. Federal Government has begun issuing Economic Impact Payments to eligible individuals. The COVID-19 payments are for a recipient's direct use to meet their expenses. The payments do not count as income by public benefit programs. If the payments are saved, they are not counted towards federal public benefit resource limits for 12 months. An ABLE account is a special type of savings account where eligible individuals with disabilities can save this money for longer periods of time without it affecting public benefits.

If you have not received an Economic Impact Payment of \$1,200 for yourself and/or \$500 for a dependent under the age of 17, and you did not make your request for payment by May 5, 2020, you will need to make the request by filing taxes for 2020. The Social Security Administration has laid out clear steps to take to obtain the payments in its document: [\*Economic Impact Payments for Social Security and SSI Recipients: Steps to Take and Schedule of Payments.\*](#)

### RECEIVING THE ECONOMIC IMPACT PAYMENT

Some people will receive the payment by direct deposit to their checking, savings or ABLE account. For those who do not have account information on file, a [prepaid VISA debit card](#) will be mailed. The card must be activated and then signed on the back according to the instructions sent with the card. These instructions also [identify fees](#) and limits for using the card.

Fees will be applied for other transactions such as requesting the balance at an ATM, more than one ATM withdrawal outside of network, use of card internationally or for replacement. Learn more about reducing the Economic Impact Payment VISA card fees by visiting the CFPB webpage: [How to use your Economic Impact Payment prepaid debit card without paying a fee.](#)

### SAVING THE ECONOMIC IMPACT PAYMENT INDEFINITELY IN AN ABLE ACCOUNT:

Many individuals who have a disability, which began prior to age 26, may open an ABLE account or increase their ABLE savings by depositing their payment into this account. Some individuals who filed a tax return for 2018 or 2019 elected to deposit their entire tax refund into their ABLE account or to split their refund among several accounts, including their ABLE account, by filing IRS Form 8888. If you have used this form to split the deposit of a refund, the IRS will deposit the economic impact payment into the first account listed on Form 8888. If that account is not an ABLE account, you may transfer all or a portion of these funds into your ABLE account. If that account IS an ABLE account, congratulations on taking steps to plan for the future.

Family or friends can also help by contributing their payment or a portion of their payment into the ABLE account without it counting as income to the ABLE account owner. Money saved within this account can be saved beyond 12 months for any length of time and is not counted as a resource by federal public benefit programs. The only restriction is that ABLE savings above \$100,000 is counted towards the SSI resource limit. To learn more, visit the ABLE National Resource Center webpage: [How Do I Open an Account?](#)

### ABLE QUALIFIED DISABILITY EXPENSES AND COVID-19:

Many individuals, particularly those who have a disability, have additional expenses related to sheltering in place. ABLE account funds may be used to pay for “qualified disability expenses (QDEs).” These may be related or unrelated to COVID-19 and may include examples such as:

- Assistive Technology: smartphones, communication devices, respirators, hearing and vision aids;
- Education: computer and internet for home schooling / working from home, occupational, physical and/or speech therapy;
- Employment: job coaches, personal support services, smartphone, computer and apps, internet service to work at home;
- Food: groceries, takeout food, grocery delivery services; prepared meal packages;
- Housing: expenses to stay in a hotel to shelter in place due to a home occupant COVID-19 diagnosis;
- Transportation: private transportation services to commute to work, appointments and grocery shopping;
- Health, Prevention and Wellness: thermometer, hand sanitizer, face masks, disinfectants and personal protective gear such as disposable gloves, over-the-counter medication or prescription medication, co-payments, deductibles, counseling services, private personal care, telemedicine costs not covered through insurance; smartphone apps for exercising or meditation; and
- Financial management and administrative services: fees for financial planning/coaching and credit counseling.

The [ABLE National Resource Center](#) (ABLE NRC) is the leading, comprehensive source of objective, independent information about ABLE programs and activities. This guidance has been prepared in an effort to provide information relevant to ABLE account owners as they take steps to maintain financial wellness and resiliency during the unprecedented COVID-19 pandemic. Both the [ABLE National Resource Center](#) and the National Disability Institute (NDI) [Financial Resilience Center](#) have collaborated to provide you with the most accurate, up-to-date information available.

*The Financial Resilience Center was developed with generous funding from the Wells Fargo Foundation.*