

History of the ABLE Act

The Achieving a Better Life Experience (ABLE) Act of 2013 (S. 313/H.R.647) was introduced in the 113th Congress by a bipartisan group of Congressional Champions that included Sens. Robert Casey, Jr. (D-PA) and Richard Burr (R-NC), and Reps. Ander Crenshaw (R-FL), Chris Van Hollen (D-MD), Cathy McMorris Rodgers (R-WA) and Pete Sessions (R-TX).

<https://www.ablenrc.org/what-is-able/history-of-the-able-act/>

On December 3, 2014, the ABLE Act passed in the U.S. House of Representatives (404-17). Two weeks later, on December 16, the U.S. Senate voted to pass the ABLE Act as a part of the Tax Extenders package, a group of more than 50 tax breaks that expired at the end of 2013. On Friday, December 19, 2014, President Barack Obama signed the Tax Extenders package, making the ABLE Act the law of the land.

The ABLE Act amends Section 529 of the Internal Revenue Service Code of 1986 to create tax-free savings accounts for individuals with disabilities. By making tax-free savings accounts available to cover qualified disability-related expenses (including education, housing and transportation), this law aims to ease financial strains faced by individuals with disabilities. Additionally, the funds contributed into these accounts will not negatively impact the person's eligibility for public benefits, such as Medicaid. The funds in these accounts don't replace benefits provided through private insurances, the Medicaid program, the Supplemental Security Income program, the beneficiary's employment and other sources. *Instead*, the funds supplement these benefits. Use the links below to view the [legislative summary of H.R. 647](#) and find out if your senators and representative cosponsored the ABLE Act of 2013:

- [Legislative Summary](#)
- [Senate ABLE Act Cosponsors](#)
- [House ABLE Act Cosponsors](#)
- [2018 IRS Changes](#)

PENDING LEGISLATION

The ABLE Age Adjustment Act

The [ABLE Age Adjustment Act](#) (S. 651/H.R. 1814) 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. ABLE (Achieving a Better Life Experience) accounts are tax-advantaged savings accounts that are designed to enable individuals with disabilities to save for and pay for qualified disability expenses (QDEs).

LEARN MORE ABOUT THE ABLE AGE ADJUSTMENT ACT

<https://www.ablenrc.org/support-in-congress-grows-for-able-age-adjustment/>

Notice of IRS Proposed Rule-Making

On November 20th, 2015, the IRS released interim guidance related to the following:

- The requirement to establish safeguards to categorize distributions from ABLE accounts
- The requirement to request the taxpayer identification number (TIN) of each contributor to an ABLE account
- The requirements for disability certification that would make it mandatory for the individual with a disability to submit a signed physician's statement regarding their eligibility for an ABLE account.

DOWNLOAD IRS Interim Guidance Regarding Administrative Concerns