

[**April 2023 AchievABLE™ Newsletter - ABLE National Resource Center (ablenrc.org)**](https://www.ablenrc.org/march-april-2023-achievable-newsletter/#4)

**ACHIEVABLE TOP 3 QUESTIONS**

**1. If a parent has an ABLE account, does that count as a resource if their child is under age 18, also has a disability and is applying for Supplemental Security Income (SSI)?**

It depends. If the parent receives a Social Security disability insurance benefit, their ABLE savings is not a countable resource for their child who is applying for SSI. There are no resource limits for someone who receives Social Security Disability Insurance (SSDI).

If the parent receives SSI, the amount over $100,000 is countable as a resource for the child along with other non-ABLE resources owned by the child and by one or both parents. There are exceptions when the child lives with one parent versus two parents.

**2. How can an ABLE account owner or agent with authority transfer the ABLE balance to the account owner’s eligible sibling?**

A rollover or program-to-program transfer of funds may be made to an eligible sibling’s ABLE account once every 12 months. If the transaction occurs within 60 days of disbursement it is tax–free and is not includible in income. If the entire amount is transferred, the first account must be closed. The transfer or rollover must take place prior to death of the ABLE account owner. It is recommended that a person contact the two ABLE plans to coordinate an ABLE rollover or program to program transfer from one sibling to another.

**3. My child has a disability and we opened and have been contributing to a 529 Qualified Tuition Plan (QTP), but now**

**my child has decided that he may not want to attend college. How long do I have to decide if we want to rollover the funds into his ABLE account?**

It depends. If you don’t use or plan to use the 529 College tuition plan (QTP) savings for eligible expenses, non-qualified withdrawals may incur a 10 percent penalty and be subject to income tax on the investment gains.

A [529 QTP rollover](https://www.irs.gov/pub/irs-drop/n-18-58.pdf) to an ABLE account may be done before January 1, 2026. There is no income taxation if the funds are deposited into the eligible ABLE account within 60 days. Each calendar year, up to $17,000 may be rolled over towards the maximum calendar year limit in an ABLE account, when combined with all other ABLE contributions.

Keep in mind, an ABLE account owner who works may be able to deposit more of their own income into their ABLE account if they have not had contributions made to a retirement plan within the calendar year. A QTP rollover to an ABLE account may take place at any time, as long as there has not been another rollover in the last 12 months.