

# COMING IN 2026

## The ABLE Age Adjustment Act: Expanded ABLE Savings Account Eligibility for One Million Veterans<sup>1</sup>

A key aspiration for every American is financial independence. And now due to the ABLE (Achieving a Better Life Experience) Age Adjust Act, the path to financial independence will soon be easier for an additional one million veterans.

ABLE was originally enacted in 2014 to help Americans with disabilities. This tax-advantaged savings vehicle allows individuals living with a disability to build a financial nest egg and create a safety net without impacting their medical assistance, supplemental social security income, or other vital benefits that require means testing. This act allowed millions of Americans across the country to save on their own terms in a way that was previously impossible. In fact, through the end of 2022, there were over 137,000 ABLE accounts nationwide containing over \$1.3 billion in savings.<sup>2</sup>

The issue for many veterans with disabilities however, was that to be eligible for an ABLE account, the onset of disability had to be prior to age 26. That key detail excluded many veterans from the benefits of ABLE. This changed in 2022, with the passing of the ABLE Age Adjustment Act. When that change goes into effect in 2026, it will raise the age of disability onset from 26 to 46, which will make an additional six million Americans—including one million veterans—eligible for the program. Imagine what a life-changing new benefit this will be for those that gave their all to serve their country.

An ABLE savings account will allow a veteran to:

- **Save thousands**—ABLE accounts are easy to start with low minimums. And, as of 2023, a saver can contribute a total of \$17,000 into their ABLE account annually. This can be through their own saving or with help from family and friends.
- **Get special tax advantages**—The earnings on investments in the account are federally tax-deferred and tax-free, if used for qualified disability expenses.<sup>3</sup> That can help savings compound, earning returns on returns. Some states also allow for state income tax deductions.
- **Grow their savings**—While ABLE programs don't give out investment advice, they do offer multiple investment options, making it easier for savers to decide how to mix and match their long-term goals and their strategy.<sup>4</sup>

- **Gain easy access to savings**—Most ABLE accounts have a checking account option with a debit card. This gives owners an easy and flexible way to pay for any expense that might help a veteran improve or maintain their quality of life. This could include changes to their home to make it more accommodating, financial management, health care expenses, or employment training.<sup>5</sup>
- **Maintain their current benefits**—ABLE accounts allow people to save without jeopardizing their eligibility for SSI, Medicaid, or other public benefits. They will have no impact on benefits until they exceed \$100,000, which can take quite a while to accumulate.

Starting down the road to saving is easy. Most states have online enrollment, and an account can be up and running in three simple steps.<sup>6</sup>

1. Enter basic information like name, address, and social security number or tax id.
2. Choose investment options
3. Enter bank information for funding and transfers

It's that easy to take an important step towards financial security and a better life experience. To discover more about the ABLE programs administered by Ascensus, visit [ascensus.com/ableforveterans](https://ascensus.com/ableforveterans).

**At Ascensus, we believe that everyone deserves to be financially secure, and we work with individuals, companies, financial advisors and over 80 state governments and industry sponsors to help people protect what matters to them. We have over 40 years of experience in the industry, and over 15 million savers who have placed their trust with us. We support 22 ABLE savings programs across 21 states and the District of Columbia to help them market ABLE, operate their plans effectively, and positively impact the most lives possible.**

<sup>1</sup>ABLE National Resource Center, January/February 2023 ACHIEVABLE™

<sup>2</sup>ISS Market Intelligence, 4Q 2022 ABLE Assets, Accounts and Average Account Sizes (from AUM/Accounts), by State

<sup>3</sup>Before investing in any ABLE plan, you should consider whether the state in which you reside and/or pay taxes offers an ABLE plan with favorable state tax incentives or other benefits that are only available through investment in that state's ABLE plan. You should also consult your financial, tax, or other adviser to learn more about how state-based benefits, or any limitations, would apply to your specific circumstances.

<sup>4</sup>Account Owners assume all investment risks as well as responsibility for any federal and state tax consequences. Participation in an ABLE plan does not guarantee that contributions and the investment return on the contributions, if any, will be adequate to cover future expenses or that an Account Owner is eligible to participate in an ABLE plan

<sup>5</sup>The Checking Account Option is subject to the risk that the return on the checking account will vary due to changes in interest rates. The interest on the Checking Account Option is expressed as an Annual Percentage Yield, or APY. Funds in the Checking Account Option will be covered by FDIC Insurance, subject to applicable limits and the application of Fifth Third Bank's and FDIC's rules and regulations. Please visit [www.fdic.com](https://www.fdic.com) for more information.

<sup>6</sup>Additional documentation may be required by the state you enroll with. Please review the Plan Document Requirements during enrollment. To help the government prevent the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who manages an account.