



Grandparents and Enable

Can I open an Enable Savings Plan for my grandchild and list them as the beneficiary?

Only an Eligible Individual (an individual with an eligible disability)¹ can open an account to pay for future Qualified Disability Expenses.² The Eligible Individual is the Account Owner and beneficiary of the account assets. Only one ABLÉ account can be open at a time in any ABLÉ plan nationwide.

Can I contribute to my grandchild's Enable account?

Anyone can contribute to your grandchild's Enable account as long as the total of all contributions from everyone who contributes doesn't exceed \$15,000 per year. So you can contribute to your grandchild's account for a birthday, holiday, graduation, or whenever you want!

Will contributions to my grandchild's Enable account hurt my grandchild's public benefits?

Contributions to an Enable account are not included in the calculation that determines eligibility for any amount of assistance or benefits provided under resource-based benefits. This means you can save money for your grandchild's financial future without impacting his or her benefits.³

You can contribute by check (put your grandchild's account number and/or name on the check), setting up a pre-scheduled systematic contribution from your paycheck or personal bank account, or by going online and sending an electronic contribution from your bank account.

Until the passage of the Achieving a Better Life Experience (ABLE) Act, and the implementation of the Enable Savings Plan, grandparents either had to forgo giving their grandchild with disabilities gifts or find ways to go around the \$2,000 asset limitation that individuals with disabilities face before they lose resource-based benefits.

Enable is a great way to support a grandchild by being able to give gifts for special days or holidays, directly contribute to the grandchild's account at any time, or potentially move assets out of their estate.

Are there withdrawal limitations and does a withdrawal count as income for resource-based benefits?

Enable allows the Account Owner to withdraw funds at any time. Withdrawing is simple and flexible and does not count as income for resource-based benefits.⁴

Money withdrawn from the Growth, Moderate, Conservative or Bank Savings Investment Options can be sent:

- By check to the Account Owner or to a third-party company.
- Electronically to the Account Owner's personal bank account on file with the Plan.
- On a pre-scheduled basis to an individual or company.
- If your grandchild selected the Checking Investment Option, qualified expenses can be paid for by check or debit card transaction.

Remind your grandchild to save receipts to show the expense was qualified.

Are there any tax benefits I can get for contributing to my grandchild's Enable account?

Contributions by anyone other than the Account Owner can lessen the value of the contributor's taxable estate. Contributions to an account are considered a completed gift from the contributor to the Account Owner. You can contribute up to \$15,000 in total per year for all gifts to the same person (including into an Enable account) to be eligible for the gift tax annual exclusion. In addition, depending on your state, you may be able to receive a state income tax deduction or other benefit by contributing to the account. Speak to your advisor for more information.

¹ An Eligible Individual: 1) is blind or disabled before the age of 26 and is entitled to SSI or SSDI benefits; or 2) has a certification from a physician indicating that he/she has a marked or severe functional limitation that was diagnosed before the age of 26, which is expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months, or is blind.

² Qualified Disability Expenses include: Education (including tuition for preschool through post-secondary schools); housing; transportation; employment training and support; assistive technology and personal support services; health, prevention and wellness; financial management and administrative services; legal fees; expenses for oversight and monitoring; funeral and burial expenses, and other expenses to enhance the Account Owner's quality of life.

³ When the total account balance exceeds \$100,000 the Account Owner's assets above \$100,000 will be considered a countable resource. SSI cash benefit could be suspended until such time as the Account Owner's total countable assets fall back below \$100,000. This suspension does not impact Medicaid.

⁴ Withdrawals from the account to pay for housing-related expenses must be spent within the month of the withdrawal or it will be included as the account owner's income.

An investor should consider the Plan's investment objectives, risks, charges and expenses before investing. The Program Disclosure Statement at www.EnableSavings.com, which contains more information, should be read carefully before investing.

Investors should consider before investing whether their home state offers any state tax or other benefits that are only available for investments in such state's qualified savings program and should consult their tax advisor, attorney and/or other advisor regarding their specific legal, investment or tax situation.

This material is provided for general and educational purposes only, and is not intended to provide legal, tax or investment advice, or for use to avoid penalties that may be imposed under U.S. federal tax laws. This material is not an offer to sell or a solicitation of an offer to buy any securities. Any offer to sell units within the Plan may only be made by the Program Disclosure Statement relating to the Plan.

Participation in the Plan does not guarantee that contributions and the investment return on contributions, if any, will be adequate to cover future expenses, or that an Account Owner is eligible to participate in the Plan.

Investments Are Not FDIC Insured* | No Bank, State or Federal Guarantee | May Lose Value *Except the Bank Savings and Checking Investment Options

The Nebraska Achieving a Better Life Experience Program Trust Issuer

Nebraska Investment Council Investment Oversight

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To learn more, visit EnableSavings.com or call 844-362-2534



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