

IABLE Celebrates Third Anniversary: The Year of Leather



This January marked the third year since I created the IABLE program, which helps some individuals with disabilities and their families save for qualified expenses while also protecting their eligibility for federal benefits. Traditionally, leather is known as the third anniversary gift – symbolizing its durability and flexibility. I want to celebrate IABLE’s third anniversary by acknowledging the durability and flexibility the plan has come to develop in the last three years.

IABLE has shown durability in its constant goal to help individuals with disabilities maintain their independence. Before the program was implemented, individuals with disabilities risked their eligibility for federal benefits if they saved more than \$2,000. For the past three years, IABLE account owners have had the opportunity to save up to \$15,000 each year for qualified expenses while maintaining eligibility for means-tested benefits programs such as Supplemental Security Income and Medicaid.*

Flexibility is another key aspect of the IABLE plan that helps individuals with disabilities and their families maintain financial independence. For instance, we have created a variety of options aiming to match financial goals and comfort. From aggressive to conservative options, IABLE has choices for every investor.

Qualified disability expenses were also designed with flexibility in mind. IABLE allows individuals with disabilities to save for expenses such as education, housing, transportation and assistive technology. Ultimately, these can be personalized to fit the needs of the individual so they can achieve a better life experience. Whether that means using the funds for aquatic therapy or saving for future medical expenses, the flexibility of the plan shines through. Consult your tax or legal team to determine the eligibility of your IABLE expenses.

On top of a plan that’s durable and flexible, there are also special tax advantages. Earnings on IABLE accounts are tax free if used for qualified expenses like the ones listed above.* Additionally, Iowa taxpayers who contribute to an IABLE plan can deduct up to \$3,439 in contributions from their adjusted gross income in 2020.**

Overall, IABLE has changed the lives of many individuals with disabilities through a consistent goal, a variety of investment options and a range of qualified expenses. Plus, the tax advantages are a great bonus! Join me in celebrating the year of leather by recognizing IABLE as a durable and flexible plan that helps individuals with disabilities achieve a better life experience.

Learn more about IABLE by visiting our website at IAble.gov. You may also contact the program at (888) 609-8910 or by emailing us at ia.clientservices@savewithable.com.

**Earnings on non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as applicable state and local income taxes.*

*** If withdrawals are not qualified, the deductions must be added back to Iowa taxable income. Adjusted annually for inflation.*