



State of Iowa Treasurer's Office
Lucas State Office Building
Des Moines, IA 50319

Questions & Answers from the January 2025 IAble Webinar

Brought to you in presentation with the Iowa Developmental Disabilities (DD) Council

Key Terms

SSDI: Social Security Disability Insurance

SSI: Supplemental Security Income

SSA: Social Security Administration

Quick Links from IAble.gov

[Eligibility Quiz](#)

[Investment Options](#)

[Checking Account](#)

[Qualified Expenses](#)

[IAble Accounts and Special Needs Trusts](#)

[Tax Advantages](#)

[ABLE to Work](#)

[Account Discounts](#)

Opening, Owning and Managing an IAble Account

I am my son's rep payee due to fraud from someone stealing his money from his checking account. Would I need to remain his payee or would there be protections that could be set up so he could control his money again?

We encourage you reach out to the Social Security Administration with questions regarding representative payees. IAble is not the entity responsible for overseeing SSA appointed representative payees.

I would like more information on how to get started and use it for my daughter and person that we are guardian for.

IAble.gov is a great resource for information about IAble! We also recommend reaching out to IAble. Our phone team is available from 8:00 a.m. to 5:00 p.m. during business days at 888-609-8910.

What sort of medical information is required to prove your disability? Do you need exact medical records from my doctor or just a medical diagnosis?

No documentation is required when opening an account, including documentation pertaining to eligibility. However, you should have relative documents on file in case they are requested. Any licensed physician who meets the criteria of Social Security Act Section 1861(r)(1)) can sign and provide you a copy of the written disability diagnosis, showing the individual has a medically determinable physical or mental impairment with marked and severed function limitation that has lasted, or is expected to last, at least 12 continuous months or result in death.

We sent in paperwork and contribution 12/19/24. We have an IAble account #, but our original contribution check has not been cashed, and we have not received a checkbook or debit card. What should I do next?

We would be happy to have a member of our IAble team help you with questions about your account. Our IAble phone team is available from 8:00 a.m. to 5:00 p.m. during business days at 888-609-8910.



State of Iowa Treasurer's Office
Lucas State Office Building
Des Moines, IA 50319

My daughter's finances are managed by Mosaic. Can I pull funds out of her IABLE account and put directly into my checking account to purchase eligible items, or do I need to transfer the funds to her checking account managed by Mosaic?

We can only speak to IABLE and not to what an organization or business policies may be, but in general, withdrawals for a qualified disability expense can be made to any checking account. It is recommended you keep detailed records to track the funds are used for disability-related expenses. It is not required, but IABLE does provide an optional [Qualified Disability Expenses Withdrawal Log](#) you could use.

I would like more information on how to set up an account when the eligible individual isn't legally able to manage it on their own.

We recommend reaching out to IABLE. Our phone team is available from 8:00 a.m. to 5:00 p.m. during business days at 888-609-8910. The [Who Can Open an Account?](#) page on IABLE.gov can also be a great resource.

If someone loses their job and their 401K money is disbursed, can it be put in the IABLE account provided the amount is under the yearly limit. Will it act like a reinvestment tool and not have to pay taxes on it?

With permission of the account owner, contributions to an IABLE account can come from any source, as long as the total amount contributed from all sources in a calendar year is no more than \$19,000. You will not pay annual taxes on the earnings while they are in the account, and qualified withdrawals are tax-free. If there are penalties from withdrawing early from a retirement account, that is separate than IABLE. If you have questions specific to your situation, we encourage you to reach out to your tax or legal professional.

What are compassionate allowances?

Compassionate allowances conditions are established by the SSA to identify medical conditions that, by definition, meet the Social Security's standards for disability benefits. Specific to IABLE accounts, if the individual's disability was present before their 26th birthday and their disability is listed on the SSA's [Compassionate Allowances Conditions list](#), they may be eligible for an IABLE account.

To learn more about eligibility requirements, visit [IAble.gov/eligibility](#).

How do we get monthly statements? I receive quarterly statements from IABLE, but to get the monthly balance, I've been doing screens shots.

IABLE only provides quarterly statements, but you are able to see your balance anytime by logging into your account. If you have specific questions about your account, we recommend reaching out to IABLE. Our phone team is available from 8:00 a.m. to 5:00 p.m. during business days at 888-609-8910.

Can an authorized individual be changed if a parent no longer has the capacity to control the account?

Yes. If the authorized individual is no longer willing or able to act as the authorized individual on the account, the authorized individual can be updated. You will want to use the [Account Information Change Form](#) to make the update.



State of Iowa Treasurer's Office
Lucas State Office Building
Des Moines, IA 50319

Are we only able to set up one entity dashboard per entity? Our organization has several different locations in different cities with the same TIN. Could we set up by the region we have split?

It is one dashboard by entity if they have the same TIN, but you can have multiple Team Members managing the accounts.

Is the quarterly fee required, or can that be waived?

All IAble accounts are assessed the annual account maintenance fee, which is billed quarterly at \$14. Account owners can save money on the fee by selecting electronic statements. This discounts the fee to \$7.75 per quarter.

I get my notifications and statements via email, but according to my numbers, -\$18.23 is my ending result lately. Is this how much the investments have fluctuated, or how much my account went down?

We would be happy to have a member of our IAble team help you with questions about your account. Our IAble phone team is available from 8:00 a.m. to 5:00 p.m. during business days at 888-609-8910.

Are you able to start these accounts before your child with disabilities is 18?

Yes. A parent or individual with financial authority may open the account on behalf of a child.

Considering a scenario of someone receiving a diagnosis at age 48. However, the diagnosis has been deemed as a lifelong diagnosis (since birth), does the person still qualify for an IABLE account?

To be eligible for an IAble account, the onset had to be prior to age 26 (not necessarily diagnosed prior to age 26). It is recommended to keep a written diagnosis from a licensed physician that can be produced if requested stating the onset of the disability was prior to age 26. This does not need to be submitted to IAble.

Are IAble account eligible only to Iowa residents?

No. IAble account owners can be residents of any state. However, we recommend reaching out to your home state's ABLE plan (if applicable) to see if they have additional incentives for residents.

What happens to the IAble account if you have move or leave the state? Do you have to roll it over to a different plan?

Since IAble account owners can be residents of any state, the account can stay opened. However, we recommend reaching out to the new state's ABLE plan (if applicable) to see if they have additional incentives for residents. You have the option to rollover IAble funds to a different ABLE plan, if you wish. For questions specific to your situation, we recommend reaching out to your tax or legal professional.

I was diagnosed with Multiple Sclerosis at age 34 and I am on SSDI, would I be eligible in 2026?

Yes, as long as the other eligibility requirements are met, an individual may be eligible to open an IAble account if their disability was present before age 46 in 2026. You can find the various components of eligibility at ia.able.gov/eligibility.



State of Iowa Treasurer's Office
Lucas State Office Building
Des Moines, IA 50319

Contributing to an IAble Account

Is the \$100,000 limit referring to the total balance in your account (contributions plus earnings), or can you contribute up to the \$100,000?

Unless the account owner is enrolled in ABLE to Work, the maximum amount of money that can be contributed to an IAble account in a calendar year is \$19,000 and does not include earnings. For individuals receiving SSI benefits, up to \$100,000 is disregarded from the benefit's asset cap – this includes contributions and any earnings the account may have earned.

Will automatic deposits that aren't work related ever be allowed?

Yes. In addition to payroll direct deposit, you may also authorize IAble to withdraw funds by electronic funds transfer (EFT) from a checking or savings account. This can be done on a recurring basis or for a singular transfer.

If the person with a disability works and has a 401K, are they able to roll over the 401K to the ABLE account?

With the account owner's permission, contributions to an IAble account can come from any source. However, in the instance of 401ks and other retirement accounts, we recommend reaching out to a tax or legal professional regarding the implications of a withdrawal to an IAble account.

Is the \$19K for all contributions? Or, for each individual's contribution?

The \$19,000 maximum annual contribution limit is for all combined contributions to an IAble account.

Can I work more if I put money into the IAble account?

IAble accounts can help individuals with disabilities save while protecting their eligibility for Medicaid, SSI, SSDI and other federal means-tested benefits. It is important to note that funds in an IAble account are disregarded as a resource for determining eligibility, but income earned and deposited into an ABLE account is still considered income.

If SSI payments are directly deposited to IAble, do they count against the \$19,000 annual contribution limit?

Yes. All contribution sources count towards the annual contribution limit.

Can you go over ways to deposit money into ABLE accounts?

IAble offers a variety of convenient methods for making contributions. This includes check, wire transfer from another checking or savings account and payroll direct deposit. For a complete list of contribution methods, visit ia.able.gov/benefits/contributions or consult the [Plan Disclosure Booklet](#).

How do I put money into an IAble checking account? Do I need to send a check to the IAble bank?

Whether the account uses an investment option or the checking account option, the options for making a contribution to an IAble account are the same (check, wire transfer, payroll direct deposit). If contributing via check, the check should be made payable to IAble and [mailed to us](#).



State of Iowa Treasurer's Office
Lucas State Office Building
Des Moines, IA 50319

Can you do transfers from a bank to an IAble account?

Yes. You may authorize IAble to withdraw funds by electronic funds transfer (EFT) from a checking or savings account. This can be done on a recurring basis or for a singular transfer.

Withdrawing from an IAble Account

Can this money be used for nursing home care and not be denied Medicaid funds?

The SSA has stated that housing and rent are qualified disability expenses (as well as groceries and food). As a reminder, a qualified disability expense is ANYTHING that improves the quality of life for the individual with a disability. Furthermore, Medicaid and Medicare are required to disregard assets in an ABLE account when determining eligibility. Anything above and beyond Medicare and Medicaid that go to housing and food, have been determined as qualified expenses by the SSA.

If you have questions specific to your situation, we encourage you to reach out to your tax or legal professional.

Does healthcare cover additional insurance, like dental insurance?

Qualified Disability Expenses are any expenses incurred as a result of living with a disability, and health and wellness expenses are included. The definition was intentionally left broad to encompass a wide variety of expenses individuals with disabilities may have.

More information can be found at iable.gov/benefits/qualified-expenses. If you have questions specific to your situation, we encourage you to reach out to your tax or legal professional.

Can the funds be used for travel - for example the person with a disability wants to go on a trip with their caregiver?

The definition of a qualified disability expense was intentionally left broad to encompass a wide variety of expenses individuals with disabilities may have that help improve health, independence or quality of life.

More information can be found at iable.gov/benefits/qualified-expenses. If you have questions specific to your situation, we encourage you to reach out to your tax or legal professional.

Can you use able funds for a down payment on a house?

Qualified Disability Expenses are any expenses incurred as a result of living with a disability, and housing expenses are included. The definition was intentionally left broad to encompass a wide variety of expenses individuals with disabilities may have.

More information can be found at iable.gov/benefits/qualified-expenses. If you have questions specific to your situation, we encourage you to reach out to your tax or legal professional.



State of Iowa Treasurer's Office
Lucas State Office Building
Des Moines, IA 50319

Can you withdraw IAble funds from an ATM with the checking account?

Yes. Since the checking account option is offered through Fifth Third Bank, fee-free withdrawals can be made at a Fifth Third Bank or [partner network ATM](#). If you use an out-of-network ATM, there may be additional fees for withdrawals.

How many withdrawals can you make per year?

There are no limits on the number of withdrawals.

Tax Benefits

Can both parents contribute and get \$5,800 deduction if filing jointly?

Yes. If both parents are Iowa taxpayers and contributing to an IAble account, they can each take a state tax deduction of up to \$5,800 in 2025.

Do the tax deductions work the same as the 529 plan? For example, I can contribute to a 529 today and take the deduction on my 2024 taxes.

No. IAble's contributions run by calendar year. This is different than Iowa's 529 plans, where account owners can contribute until the Iowa state income tax-filing deadline, which is generally April 30, for the prior year's tax purposes.

What is given to the contributor as a receipt for the tax deduction?

If an Iowa taxpayer is going to take a state tax deduction, they are responsible for keeping a record of their contribution amounts for the calendar year.

If multiple sources fund the accounts, is the max \$5,800 tax deduction for each source, or total for the account?

Any Iowa taxpayer making contributions to an IAble account can take the state tax deduction; it is not limited to \$5,800 for the account. However, keep in mind the maximum account contribution limit is currently \$19,000, which is the total amount that can be contributed by all combined sources in a calendar year.

Investment Options and the Checking Account Option

Why do you limit it to only two investment changes per year? It seems like circumstances could arise in which money would need to be moved from longer-term investments to checking account.

The IRS regulates how many "in-plan exchanges" an account owner can make, which at this time is twice per calendar year. To help with scenarios such as the one you described, IAble allows account owners or authorized individuals to establish a systematic exchange. This allows you to establish pre-scheduled reallocations of funds from one investment type to another without counting as a change in investment options.



State of Iowa Treasurer's Office
Lucas State Office Building
Des Moines, IA 50319

Is it true the only funds that can be used right away, come out of the checking account option, and all other options stay until you move them?

While the checking account option comes with the ability to pay with a check or debit card for immediate transactions, withdrawal requests can be made from any of the investment types. This can be done online, by phone or mailing a [Withdrawal Form](#) to IAble.

Withdrawals are generally processed within three business days, and can take up to 10 business days for the proceeds to reach the payee.

Are Penny Stocks or Crypto included?

Penny stocks and crypto are currently not offered in IAble's investment options.

When I joined IAble, I started a checking account, but only have investments for the long-term. Am I paying for that checking/debit account? I see fees melt off, but they lack detail as to 'for what'.

We would be happy to have a member of our IAble team help you with questions about your account. Our IAble phone team is available from 8:00 a.m. to 5:00 p.m. during business days at 888-609-8910.

If I have investments and a checking, do I need to withdraw the funds from investments to cover a check?

If you know ahead of time there are insufficient funds in your checking account to cover an expense, you may choose to move money from an investment account into the checking account. However, keep in mind this will count towards your two investment changes allowed in a calendar year, unless it is transferred as part of an established systematic exchange.

For additional information on the checking account, consult the Fifth Third Terms and Conditions section of the [Plan Disclosure Booklet](#).

I put my money into dividends, but can I switch it to checking account? Do I need to put money into it regularly every month?

Excluding established systematic exchange programs, account owners may move money from one investment option to another up to twice per year. New contributions can be allocated to any investment option. There are no minimum requirements for contributions to any of our investment options.

Is there a fee when you need to transfer money from one investment to a different investment or into the checking account to use?

There are no fees to transfer money from one investment account to another. However, keep in mind this is only allowable up to twice per calendar year, unless done so through a systematic exchange. This allows you to establish pre-scheduled reallocations of funds from one investment type to another without counting as a change in investment options.



State of Iowa Treasurer's Office
Lucas State Office Building
Des Moines, IA 50319

Public Benefits and IAble Accounts

How do IAble accounts effect SSDI?

Any money in an IAble account, up to the account balance limit of \$505,000, is disregarded from SSDI.

Death of an Account Owner

When someone dies, how is the account treated?

The account owner can designate a successor account owner, which must be a sibling of the account owner who is ABLE eligible. If there is not a successor account owner, the funds will be paid to the account owner's estate after all qualified disability expenses are paid, including funeral and burial expenses.

What is Medicaid recapture?

Medicaid estate recovery, also known as Medicaid recapture, refers to when the government attempts to recover the cost of Medicaid benefits provided to an individual upon their death. Under Iowa law, Medicaid cannot file a claim to recover moneys in an account unless required by federal law. For more information, consult the [Plan Disclosure Document](#).

Since most funds we put into ABLE accounts are SS money, would they need to go back to SS at death?

At this time, the Social Security Administration is not recapturing funds from ABLE accounts. For questions specific to your situation, we recommend reaching out to your tax or legal professional.

So, if we have an estate plan, these funds could be transferred to someone else like a brother? Or a foundation like Easter Seals, etc.?

An account owner may designate a successor account owner to take over the account funds upon their death. The successor account owner must be a sibling of the account owner and be ABLE eligible. Like other financial accounts, an account owner may also choose to include their IAble account in a will, which could include distribution to a family member or organization.

As families start putting larger amounts into these accounts over the years, the state thought about allowing a transfer on death designation so you aren't forced to open an estate if the funds are over 50k? It sounds like only an eligible qualifying individual can receive the account by transfer now.

According to the federal regulations for ABLE, the accounts must be distributed to a successor designated beneficiary, or if none, to the account owner's estate. A successor designated beneficiary must be an eligible individual. If there is no named successor account owner, then under the federal guidelines, it must be distributed to the estate. For more information, consult the [Plan Disclosure Document](#).