

Top Three FAQs Answered



Delivering reliable and accurate information regarding IABLE is one of the most significant aspects of my role as the plan's administrator. It's important to you, which makes it equally important to me. Staying true to this statement, I'm answering these frequently asked questions: Can I save stimulus payments in my IABLE account? What are the tax advantages of IABLE? Can I roll over funds from my 529 education savings account?

Can I save stimulus payments in my IABLE account?

Yes! If you received any of the stimulus payments from the federal government, you can deposit them into an IABLE account. This enables you to save the money for a later time if you don't need or want to spend it right away. Plus, the stimulus funds will have the same benefits protection other money in an IABLE account has. Any stimulus funds placed in your IABLE account count towards the federal annual contribution limit of \$15,000.

[IABLE and Stimulus Payments](#)

What are the tax advantages of saving with IABLE?

If an Iowa taxpayer is an IABLE account owner, withdrawals are free from state income taxes. For all account owners, the earnings on your investments are federally tax-deferred and tax-free if used for [qualified disability-related expenses](#). Any Iowa taxpayer contributing to your IABLE account can deduct up to \$3,474 from their adjusted gross income for 2021.* This includes you and your loved ones, so encourage family and friends to help you save for your goals by making contributions to your account.

[Tax Advantages](#)

Can I roll over funds from my 529 education savings account into my IABLE account?

Yes. You may roll over funds from a 529 education savings account, such as [College Savings Iowa](#), into an IABLE account as long as the beneficiary of the 529 plan is the IABLE account owner or a family member. It's important to note the rollover will count towards your \$15,000 annual contribution limit. Under current federal law, this feature is only available until January 1, 2026.

Visit our FAQ page for answers to more commonly asked questions.

[IABLE FAQs](#)

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