



The Indiana ABLE Authority and the Treasurer of State's Office are working to improve Indiana's 529A ABLE accounts by the addition of a tax credit and need your help!

I, State Treasurer Kelly Mitchell, request your support of Senate Bill 559 and House Bill 1350 that are before members of the Indiana General Assembly this session. A digest of the language for both bills can be found below. INvestABLE Indiana accounts currently do not afford the same tax benefits as the CollegeChoice 529 programs. This legislation would correct that dissimilarity and provide the same tax incentives to contributors to both programs.

ABLE accounts, also known as 529A accounts, allow individuals with disabilities to save for their future and pay for disability related expenses. Savings in ABLE accounts do not affect certain means tested benefits. The intent of these accounts is to ease financial burdens on individuals with disabilities to cover qualified expenses including, but not limited to, education, transportation, housing and medical needs. The proposed tax credit will incentivize even more savings into these 529A accounts which further strengthens each eligible beneficiary's financial independence.

INvestABLE Indiana launched over a year ago and currently has more than 300 accounts and 1.2M in assets under management. The average amount saved in an INvestABLE Indiana account is over \$3,000 which means Indiana beneficiaries are already saving in excess of the previous \$2,000 resource limit.

With the passing of this legislation, contributors to the state's 529A program will be eligible to receive a 20% Indiana state tax credit worth up to \$1,000 annually. This means that for every dollar spent as a tax incentive by the state, at least five dollars have been personally saved to spend towards the extra costs of living with a disability.

We are excited about how adding this tax credit will shape the future of the INvestABLE Indiana program and how it will positively impact the lives of people living with disabilities.

To show your support of this legislation, please reach out to Catherine Seat at cseat@tos.in.gov to discuss all the ways you can help. Time is of the essence! We must get a committee vote before the end of February.

Digest:

ABLE account tax credit. Creates a stand-alone credit for contributions to Indiana ABLE accounts. Provides that a taxpayer is entitled to a credit against adjusted gross income tax equal to the least of: (1) 20% of the amount of the total contributions made by the taxpayer to an account or accounts of an Indiana ABLE 529A savings plan during the taxable year; (2) \$1,000; or (3) the amount of the taxpayer's adjusted gross income tax for the taxable year, reduced by the sum of all allowable credits. Provides that a taxpayer is not entitled to a carryback, carryover, or refund of an unused credit. Provides that a taxpayer may not sell, assign, convey, or otherwise transfer the tax credit. Provides that an account owner of an Indiana ABLE 529A savings plan must repay all or a part of the credit in a taxable year in which any nonqualified withdrawal is made. Provides that a rollover of assets or transfer of assets to an Indiana ABLE 529A account is a qualified withdrawal from a college choice 529 education savings plan.

Thank you for your consideration,

A handwritten signature in black ink that reads "Kelly".

Kelly Mitchell, Indiana Treasurer of State

Other Signees:

Governor's Council for People with Disabilities
The Arc of Indiana
Arc Master Trust

The Logan Center, South Bend
Down Syndrome Association of Northeast
Indiana (DSANI)
Bosma Enterprises, Indianapolis