



## *Center for Learning* and Development

### **Introduction to NJ ABLE**

The New Jersey Achieving a Better Life Experience (NJ ABLE) program is a tax-advantaged savings and investment program designed to help individuals with disabilities save money without jeopardizing eligibility for important public benefits such as Medicaid and Supplemental Security Income (SSI). The program was created under the federal ABLE Act and allows eligible individuals and their families to set aside funds for disability-related expenses while maintaining access to critical supports and services.

For many individuals with intellectual and developmental disabilities, one of the greatest challenges is building financial security while remaining eligible for benefits that have strict resource limits. An NJ ABLE account provides a practical solution by allowing savings to accumulate in a protected account that can be used to support independence, health, education, employment, transportation, housing, assistive technology, and many other needs that improve quality of life.

### **Who Is Eligible?**

Beginning in 2026, an individual may qualify for an ABLE account if their disability began before age 46 and they meet the disability requirements established by federal law. Individuals receiving SSI or SSDI generally qualify automatically, while others may qualify through disability certification from a physician.

### **Key Benefits of NJ ABLE**

- Savings in an ABLE account generally do not affect Medicaid eligibility.
- Up to \$100,000 in an ABLE account can be excluded from SSI resource calculations.
- Investment earnings grow tax-free when used for qualified disability expenses.
- Family members, friends, employers, and the account owner may contribute to the account.
- The account owner maintains control over the funds and how they are used.

## **Contribution Limits**

For 2026, the standard annual contribution limit is \$20,000. Individuals who are employed may be eligible to contribute additional amounts above the annual limit through the ABLE to Work provisions, subject to federal rules.

The NJ ABLE program currently permits account balances up to approximately \$305,000, although SSI rules may be affected when the account balance exceeds \$100,000. Medicaid eligibility is generally not affected by the account balance.

## **What Can the Money Be Used For?**

Funds from an ABLE account may be used for a broad range of Qualified Disability Expenses (QDEs), including:

- Housing and rent
- Transportation
- Education and training
- Employment support
- Assistive technology
- Personal support services
- Health and wellness expenses
- Financial management services
- Legal fees
- Community participation and independence-related expenses

The general rule is that the expense should help maintain or improve the individual's health, independence, or quality of life.

## **Why NJ ABLE Is Important**

For adults with intellectual and developmental disabilities, NJ ABLE provides an opportunity to build savings, prepare for future needs, accept financial gifts from family members, and work toward greater independence without risking access to essential public benefits. It is one of the most powerful financial planning tools currently available to individuals receiving disability-related services and supports.

For more information or to open an account, individuals and families can visit the official NJ ABLE website:

[NJ ABLE Program](#)

or

[NJ Division of Disability Services, NJ ABLE Information](#)

For details on the federal law refer to the Social Security website:

[Tax-Free Saving Accounts For People With Disabilities](#)