

Houston Special Needs Trusts Attorney Whitney L. Thompson Explains the Differences Between ABLE Accounts and Special Needs Trusts

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Houston special needs trusts attorney Whitney L. Thompson (<https://www.wthompsonlaw.com/special-needs-trusts-and-able-accounts/>) releases a new article explaining the differences between ABLE accounts and special needs trusts. The lawyer mentions that people who have loved ones with disabilities and wish to save money often create special needs trusts to provide for their loved one's needs. Special needs trusts also allow individuals to continue qualifying for public assistance.

With the ABLE Act (Achieving a Better Life Experience) of 2014, disabled individuals now have a second means of building assets while at the same time not jeopardizing federally funded programs such as Medicaid and Supplemental Security Income (SSI) or Social Security Disability Income (SSDI), the Houston special needs trusts attorney says.

The lawyer mentions that ABLE Accounts and special needs trusts have significant differences regarding saving and spending rules. ABLE accounts and special needs trusts also have different annual saving limitations. An ABLE account is easier to set up and manage but its primary disadvantage is contribution limits. The total annual contribution possible for an ABLE account is \$16,000.

Attorney Whitney L. Thompson adds that people with disabilities who receive SSI are subject to additional limitations. There is no monetary limits in special needs trusts. However, these trusts are harder to set up and manage. In Houston, families set up an ABLE account for their daily expenditures and an SNT for larger purchases.

In the article, attorney Thompson says, "An ABLE account has some similarities to an SNT as both are tax-advantaged savings vehicles for individuals with disabilities before the age of 26. The beneficiary, family,

and friends can all contribute to the account, and neither an ABLE account nor SNT affects public benefits eligibility. For the beneficiary, funds within both financial products grow and distribute tax-free.?

Lastly, the lawyer emphasizes the importance of having a skilled special needs trust attorney when dealing with matters involving special needs planning. Having an experienced estate attorney may be able to help an individual understand their rights and help them prepare for the future of their loved ones.

About The Law Office of Whitney Thompson, PLLC

Attorney Whitney Thompson is an experienced family law attorney who helps clients deal with family law matters such as divorce or legal separation. Attorney Thompson also deals with guardianship, probate, and estate planning matters. As an experienced divorce lawyer, attorney Thompson and her legal team have helped families have a smoother divorce process and plan for their future more thoroughly. To schedule a consultation, call (281) 214-0173.

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As a Licensed Attorney, I have spent most of my career helping and representing individuals with Child Support, Divorce, Guardianship, Probate, and Estate Planning challenges.

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