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Securities offered through LPL Financial, member FINRA/SIPC. Investment advice offered through Private Advisor Group, a registered investment advisor. Private Advisor Group and APD Wealth Management are separate entities from LPL Financial.



## LEARN ABOUT SERIES I SAVINGS BONDS

A Series I savings bond (I bond) is a bond that earns interest based on both a fixed rate and a variable rate.

The variable rate changes every 6 months (May and November), and is tied to the current inflation rate. If inflation is rising at 6%, I bonds will typically adjust their rate to pay a bit above that rate.

I bonds earn interest for 30 years unless you cash them before they mature. You may cash them after one year, but if you do so before five years, you lose three months of interest. Once an I bond is five years old, there is no interest penalty for redemption.

### **How many I bonds can you purchase?**

In a calendar year you can buy up to \$10,000 in electronic I bonds per social security number. A married couple may each invest \$10,000 per year for a total of \$20,000. There are ways to purchase an additional \$5,000 in paper I bonds using a federal income tax return. You can read more about that process at [treasurydirect.gov](https://www.treasurydirect.gov).

### **How do you buy I bonds?**

You must purchase them through the US Treasury Department's website, [treasurydirect.gov](https://www.treasurydirect.gov). If you decide to purchase I bonds, you will need to first open a TreasuryDirect account. Once that account is opened, you can purchase I bonds or other government securities. You will be prompted to link a bank account when you open the account.

You cannot purchase I bonds through a bank or brokerage account. This means you cannot buy them through accounts you have with APD Wealth Management or any other investment or bank account you have.

For additional information refer to [treasurydirect.gov](https://www.treasurydirect.gov).



## LEARN ABOUT ACHIEVING A BETTER LIFE EXPERIENCE ACCOUNTS

Living with a disability often involves extra expenses. That is why the Stephen Beck Jr Achieving a Better Life Experience (ABLE) Act was passed in 2014. ABLE accounts provide a tax-advantaged way to save for disability-related expenses.

Similar to 529 accounts, investments in ABLE accounts grow tax-free and remain so when withdrawn and used for disability-related expenses. Contributions can be made to the account by anyone, including the account beneficiary, family and friends. In most cases, contributions are not tax deductible for federal income tax although some states allow for state income tax deductions. Be sure to discuss it with your tax professional.

### Eligibility

While an individual of any age may hold an ABLE account, the beneficiary of the account - the account holder - must have incurred a qualifying disability before turning 26. The beneficiary, a parent, guardian or individual with power of attorney for the beneficiary may open the account on the beneficiary's behalf.

### Contributions

For 2022 the total annual contribution limit is \$16,000. An account owner (beneficiary) who is employed and not contributing to a defined contribution plan, an annuity or an eligible deferred compensation plan, may contribute additional money to their ABLE account. The additional amount is equal to their income or \$12,880. Savings in a 529 account can be rolled over into an ABLE account (\$16,000 per year). The 529 account must be for the same beneficiary as the ABLE account or for a family member.

### Limits

Each state has an amount for maximum account value. In Minnesota it is \$425,000. For individuals with disabilities who are recipients of supplemental security income (SSI),

the ABLE act sets some limitations. The first \$100,000 in ABLE accounts is exempted from the SSI individual resource limit. After that, the beneficiary's SSI cash benefit is suspended until resources no longer exceed \$100,000.

### Allowed Expenses

Money in the ABLE account may be spent on any "qualified disability expense". This includes:

- Health and wellness
- Housing related expenses (mortgage payments, property taxes, rent)
- Transportation expenses (vehicle, public or para-transit)
- Education and training
- Assistive technology
- Professional services
- Financial management and administrative services and expenses that help improve health, independence and quality of life

Please note that receipts should be retained if needed for an audit.

### Account opening

Almost every state has an ABLE plan and many of them allow individuals from any state to enroll. Opening an account with a state is easily done online. American Funds also has an advisor-offered ABLEAmerica Plan we can help you with.

### Investments

ABLE accounts offer choices for savings and investing. To select the best strategy, future needs and costs for the beneficiary should be assessed over time, along with risk tolerance. You can make changes to your investments twice per year.

**Continued on next page**

# GREG'S CORNER

Summer has arrived in Minnesota! The cold weather lasted longer than expected, but we are happy now! The grass and trees are green and the weather is warm.

Our family is doing great. Cal graduated, with honors, from Gustavus in May. He earned a degree in Psychology. He is going to work for about a year and then start his Masters and PhD studies. Cal is living with his girlfriend in St Paul; she will start law school in the fall. It is hard to believe he's done with college and nearly grown-up!

Tyler finished his sophomore year at St John's. He came to the office and shadowed me for a couple of weeks before he started his job. He really enjoyed it and is interested in learning more about this business. Tyler is working for the city of Champlin doing maintenance this summer, and having fun golfing and playing softball.

I'm taking both of them to Canada fishing again in late



**Cal's graduation**

July and early August. It's nice that they still enjoy spending time with me on vacation.

Lisa and I are doing well. She started a job working for a company called, Helping Hand Companions. She works with seniors a couple of days a week. Most need some companionship so they play cards, talk and take walks together. She loves it and enjoys helping those that need some company.

I've been golfing quite a bit. I even got a hole-in-one on a guy's golf trip last month. They made me pay for the celebration all day. They also razzed me because it was not the first one I've had - it was the fourth! Guess I'm a lucky golfer!

I hope you are all doing well too.



**Hole-in-one**

## ABLE ACCOUNTS CONT...

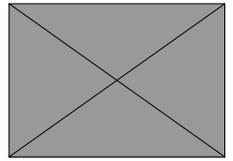
### ABLE account features

- Money in ABLE accounts is tax-free when used for qualified disability expenses.
- ABLE accounts are easier to set-up and manage than a special needs trust.
- Many accounts offer debit and checking so it is easy to access and pay for items directly.
- You can rollover, tax-free, from a traditional 529 account to an ABLE account, (within limits).
- Eligibility for Medicaid continues regardless of your account balance.

More information is available online at National ABLE Alliance, [Savewithable.com](https://www.savewithable.com) and ABLE National Resource Center, [Ablenrc.org](https://www.ableenrc.org).

IRS 1/20/22 <https://www.irs.gov/government-entities/federal-state-local-governments/able-accounts-tax-benefit-for-people-with-disabilities>

SSA 2/11/2022 <https://secure.ssa.gov/poms.nsf/lnx/0501130740>



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## THE IMPORTANCE OF INVESTMENT REVIEWS

It starts with a vision. The clearer and more detailed the vision, the easier it is to establish specific goals, measure progress and make adjustments.

Successful investors know the only way to achieve their personal goal is to have a vision - and to regularly review and fine tune that vision and their investment mix. Not having your investments reviewed regularly can cost you missed opportunities.

Regular investment reviews are a benefit of working with us. Reviews can be conducted in person or over the phone. We periodically contact you via phone, email or mail to schedule a time to talk. Of course, you can always contact us at any time to discuss concerns you may have.

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. Stock investing includes risks, such as fluctuating prices and loss of principal. Consult me if you have any questions. Opinions expressed are for general information and should not be considered a solicitation for the purchase or sale of securities.

Financial markets have been erratic. It is essential any changes you make to your investments are done for the right reason and are not based on fear. Having a plan in place will help you stay on track.

**Has your address, phone number or job changed?**

**Please let us know!**

**952-541-0020**

