

Secure Planning Strategies



Issue	(d)(4)(A) SNT	Pooled SNT	Third-Party SNT	ABLE Account
Purpose of Establishment	Enhances quality of life of person with a disability by paying for goods and services without the loss of SSI or Medicaid	Enhances quality of life of person with a disability by paying for goods and services without the loss of SSI or Medicaid	Enhances quality of life of person with a disability by paying for goods and services without the loss of SSI or Medicaid	Allows individuals with disabilities to have a cash account to pay for certain expenses without loss of SSI or Medicaid
Primary Beneficiary	Person with disability	Person with disability	Person with disability, but can be others	Person with disability
Settlor/Maker	Person with a disability's parent, grandparent, legal guardian or the court	Person with a disability, plus their parent, grandparent, legal guardian or the court	Any person or entity except the person with a disability	Person with a disability or their agents, guardians and maybe others
Trustee/Owner	Any individual or professional but not person with a disability	A non-profit agency but may outsource trusteeship to a professional	Any individual or professional but not person with a disability	Any individual, including person with a disability
Number of Trusts/Accounts Allowed to have	Unlimited	Unlimited	Unlimited	One
Source of Funding	Person with a disability's assets	Person with a disability's assets	Assets of anyone but the person with a disability	Assets of anyone
Amount Allowed to Funded Into Trust/Account	Unlimited	Unlimited	Unlimited	Limited to annual gift tax exemption (currently \$14,000 per year)
Amount Trust/Account is allowed to hold	Unlimited, but no additional funding after age 65	Unlimited, but no additional funding after age 65	Unlimited	Currently \$100,000 for SSI recipients and up to state's 529-plan amount
Use of Funds	Must be for "sole benefit" of person with a disability and certain disbursements may reduce or eliminate SSI or Medicaid eligibility	Must be for "sole benefit" of person with a disability and certain disbursements may reduce or eliminate SSI or Medicaid eligibility	No limitation, except for certain disbursements may reduce or eliminate SSI or Medicaid eligibility	Only "qualified disability expenses" as defined by government

Effect of Paying for Food or Shelter	Implementation of SSI ISM penalty	Implementation of SSI ISM penalty	Implementation of SSI ISM penalty	Implementation of SSI ISM penalty
Taxation of funds	Taxed as a grantor trust as person with a disability's tax rate	Taxed as a grantor trust as person with a disability's tax rate	Taxed as a non- grantor trust except to the extent funds are used on behalf of the beneficiary	No income tax on growth but tax on distributions of one-half of qualified disbursements plus a 10% penalty for non- qualified distributions
Receiver of assets from trust/account on death of person with a disability	Medicaid first, then can go to heirs or whomever is named in document	Medicaid first, then can go to heirs or whomever is named in document	Heirs or whomever is named in document	Medicaid first, then can go to heirs
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24800 Denso Drive #265, Southfield, MI 48033 www.spsfinancial.com
www.specialneedsguidance.com

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