

115TH CONGRESS  
1ST SESSION

# S. 818

To amend the Internal Revenue Code of 1986 to allow individuals with disabilities to save additional amounts in their ABLE accounts above the current annual maximum contribution if they work and earn income.

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IN THE SENATE OF THE UNITED STATES

APRIL 4, 2017

Mr. BURR (for himself, Mr. CASEY, Mr. VAN HOLLEN, and Mr. MORAN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to allow individuals with disabilities to save additional amounts in their ABLE accounts above the current annual maximum contribution if they work and earn income.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “ABLE to Work Act  
5 of 2017”.

1 **SEC. 2. INCREASED CONTRIBUTIONS TO ABLE ACCOUNTS**  
 2 **FROM COMPENSATION OF INDIVIDUALS**  
 3 **WITH DISABILITIES.**

4 (a) IN GENERAL.—Section 529A(b)(2)(B) of the In-  
 5 ternal Revenue Code of 1986 is amended to read as fol-  
 6 lows:

7 “(B) except in the case of contributions  
 8 under subsection (c)(1)(C), if such contribution  
 9 to an ABLE account would result in aggregate  
 10 contributions from all contributors to the  
 11 ABLE account for the taxable year exceeding  
 12 the sum of—

13 “(i) the amount in effect under sec-  
 14 tion 2503(b) for the calendar year in which  
 15 the taxable year begins, plus

16 “(ii) in the case of a designated bene-  
 17 ficiary described in paragraph (7), the less-  
 18 er of—

19 “(I) compensation (as defined by  
 20 section 219(f)(1)) includible in the  
 21 designated beneficiary’s gross income  
 22 for the taxable year, or

23 “(II) an amount equal to the  
 24 poverty line for a one-person house-  
 25 hold, as determined for the calendar

1                   year preceding the calendar year in  
 2                   which the taxable year begins.”.

3           (b) ELIGIBLE DESIGNATED BENEFICIARY.—Section  
 4 529A(b) of such Code is amended by adding at the end  
 5 the following:

6                   “(7) SPECIAL RULES RELATED TO CONTRIBU-  
 7           TION LIMIT.—For purposes of paragraph (2)(B)—

8                   “(A) DESIGNATED BENEFICIARY.—A des-  
 9           ignated beneficiary described in this paragraph  
 10           is an employee (including an employee within  
 11           the meaning of section 401(c)) with respect to  
 12           whom—

13                   “(i) no contribution is made for the  
 14           taxable year to a defined contribution plan  
 15           (within the meaning of section 414(i)) with  
 16           respect to which the requirements of sec-  
 17           tion 401(a) or 403(a) are met,

18                   “(ii) no contribution is made for the  
 19           taxable year to an annuity contract de-  
 20           scribed in section 403(b), and

21                   “(iii) no contribution is made for the  
 22           taxable year to an eligible deferred com-  
 23           pensation plan described in section 457(b).

24                   “(B) POVERTY LINE.—The term ‘poverty  
 25           line’ has the meaning given such term by sec-

1           tion 673 of the Community Services Block  
2           Grant Act (42 U.S.C. 9902).”.

3           (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to taxable years beginning after  
5 the date of the enactment of this Act.

6 **SEC. 3. ALLOWANCE OF SAVER’S CREDIT FOR ABLE CON-**  
7 **TRIBUTIONS BY ACCOUNT HOLDER.**

8           (a) IN GENERAL.—Section 25B(d)(1) of the Internal  
9 Revenue Code of 1986 is amended by striking “and” at  
10 the end of subparagraph (B)(ii), by striking the period at  
11 the end of subparagraph (C) and inserting “, and”, and  
12 by inserting at the end the following:

13                   “(D) the amount of contributions by such  
14           individual to the ABLE account (within the  
15           meaning of section 529A) of which such indi-  
16           vidual is the designated beneficiary.”.

17           (b) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to taxable years beginning after  
19 the date of the enactment of this Act.

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