

1/25/2022 Notes from Elizabeth Larson Presentation. Youtube Channel: Building Wealth with a Disability.

If I pursue SSI Disability Income, this is probably what will need to happen.

First will involve scheduling a consultation with a disability lawyer in North Carolina, preferably Buncombe County. I can talk to Pisgah Legal Services. Ask what will be required.

How government defines disabled: Inability to engage in any substantial gainful activity (SGA) by reason of any medically determinable physical or mental impairments which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. Autism very difficult to prove. Individual must be permanently and totally disabled by SSI's criteria. Every family's situation is unique.

My criteria for getting on SSI would have to be proving a disability that prevents me from working, which lasts over 2 years, or results in death. Under this system, adult autism is extremely difficult, if not impossible to prove without a good disability lawyer and good records. This is the place where you can file an application online.

www.secure.ssa.gov/iClaim/dib and/or on the toll-free line 1-800-772-1213 to make an appointment with a representative for help to complete. There are questions about Income, Resources, Living Situation, Citizenship, and a Disability Report. There are no retroactive payments.

When doing planning, be strategic to not harm person's eligibility for need based public benefits.

- Consult with an advisor that specializes in special needs planning.
- Assets can disqualify an individual from public benefits.
- Trusts are intended to supplement, not replace programs.
- If drafted properly, shouldn't affect benefits, great care be taken.
- Review the titling and beneficiary designations of all your assets.

Needs Based Public Benefits include Food Assistance, Medical Aid, Housing Vouchers. Social Welfare is for Low to no income and is means tested. Social Insurance benefits include SSDI and Medicare, and are determined based on age, employment, and veteran status.

Normally if you are on SSI, you cannot have more than 2,000\$ in your name, and sometimes in assets, before losing your benefits. This has been a really bad policy because it keeps disabled people poor, so they can keep their healthcare. If you ever got married, you would lose benefits. At the moment, I feel really confident that I never want to get married. I don't care about a wedding, or that kind of love relationship, and there is absolutely no advantage or financial gain to be had of me doing so. As Social Worker I am used to seeing the aftermath of bad marriages and it influences the way I see the world. I'm also scheduled to become infertile by this Spring.

In 2014, the Achieving a Better Life Experience (ABLE) Act was passed federally. This allows certain financial rights in seeking out work, and keeping a tax-free savings account opened for the use of qualifying disability expenses. Not everyone is eligible. The big distinguishing factor it seems is that you must have been disabled since before your 26th birthday. There is a lot of documentation I can go on, but the biggest reservoir is my school files from grade school. It may vary by state. I may be able to prove it some places with a note from a Physician. I think that would be more likely having residency in Virginia than North Carolina, but I need to check with a lawyer on that.

In the past, often what would be required of a special needs family member, in order for their benefits to be kept, would be for the family to disinherit them. This was really complicated and terrible for a bunch of reasons, and no longer necessary since ABLE Act was passed.

These ABLE Accounts, which most banks seem to support, is covered by the Contribution Gap of the Federal Gift Tax Exclusion, which covers up to 15,000\$ gifted into my account for tax write offs. On top of that original amount, I can have Earned Income of up to 12,490\$ in addition to that. If the ABLE Account goes over 100,000\$ I will lose benefits. I can use the money in this account on Qualified Disability Expenses, or Q.D.E.'s. The definition of these by Congress was intentionally vague, so it can pay for more things. Any expense related to the account holders blindness or

disability that assists them in increasing or maintaining their health, independence, and/or quality of life. This includes transportation, licensings, and assisted technologies.

Mismanaged assets can derail access to benefits.

Medicaid: Called "Best insurance that money can't buy." Helps pay for essential health services for those with little or no income, and or high medical expenses. This covers Physician Services, In-Patient and Out-Patient, Long Term Care in a Skilled Nursing Facility.

If you are eligible for SSI, you qualify for Medicaid. Under the Medicaid Paypack Provision, if I owe 40,000 in medical costs, and there is 40,000\$ in my ABLE account, that money can be seized to pay for care. It cannot be if it is in a trust. Encouraged to keep account funds low in ABLE Account. Shouldn't be relevant unless I have serious medical expenses occur.

SSI/Social Security Income: Provides Cash to meet needs such as food and shelter. Resource tested. Not allowed more than 2,000\$ worth of resources each month and limits income. Assets not counted against: House & Land, One Vehicle, Burial Plot, and up to 100,000\$ in ABLE Bank Account. This is different than SSDI, which generally requires employment at a location for a set amount of time, and is unique for every individual.

On SSI, I am not allowed to have more than 2,000\$ of resources each month. Cash Holding, Stocks, Bonds, Land, Life Insurance, anything that can be turned into cash. Assets not counted: Home/Land I live in, One vehicle, a Burial plot, and up to 100k in an ABLE Banking Account.

Special Needs Trust requires the appointing of a Trustee, and the level of responsibilities that come with this can vary greatly. Trusts are generally not to cover Food and Shelter, as that is what benefits are for, but to cover extraneous expenses, luxuries, and emergencies not otherwise covered. It's highly recommended to have a financial advisor that specializes in this to help navigate, even if it's just as a consultant. Life Insurance plans are available to fund different types of trusts like this. What is most important is that aid offered to me doesn't threaten my eligibility for public benefits I may need to get by.

If IRS decides funds were misused, they can come after me for reimbursement.

If I am not able to prove this 26th birthday rule, the other option that is establishing a Special Needs Trust. There are three main types of Special Needs Trusts, and it is best to speak to a professional planner to decide what choices are best. A First Party Trust is funded by the person with special needs. It is common with settlements and malpractice cases. If the person receives an inheritance, it is a way to protect benefits. Beneficiary must be under 65 when established and Medicaid is reimbursed for retroactive care. Third Party Trusts are often for an individual who cannot manage all of their finances on their own. It can be funded with Life Insurance, sometimes with Retirement, but that is not recommended and can get really sketchy. There is no limit of what can go into a 3rd Party Trust. The Last kind is a Pooled Trust, which sometimes are done by a non-profit. This includes the assets of many people in a population being pooled together with allowed individual accounts. Consider using life insurance to fund special needs trust.

What separates a Special Needs Trust from a Traditional Trust. If a Special Needs person is left with a bunch of assets, it will disqualify them from needs based public benefits they may be surviving off of. This is designed to protect a disabled beneficiary. These are not generally funds for food and shelter, but there to enhance quality of life beyond those immediate needs. There will be one or more Trustees appointed, which can be individuals or a firm, that administers property and assets on behalf of a third party. They are picked selectively to make decisions in the best interest and fiduciary responsibility of the individual. This can include Accounting, Bookkeeping, and Tax Reporting. There are professional trustees to ensure protected benefits, and generally these professionals need to upkeep a very good professional and ethical reputation of excellence.

Additionally, someone managing own funds with ABLE account could be taken advantage of. If this account is being managed by a Special Needs Trust, the Trustee can keep the amount of funds in the account limited, so that if that person was taken advantage of, the effects wouldn't be catastrophic.

[ABLE Account and SSI - Elizabeth Larson](#)

[Home - ABLE National Resource Center \(ablenrc.org\)](https://www.ablenrc.org/)

Calculating Income

On SSI, I need to report all types of changes in my life constantly. If my income changes, I have to report. If my housing changes, I have to report. If I get married or injured, I have to report. I have to calculate my income for taxes each year to a specific SSI formula that has it's own distinct deductions. That formula is detailed below.

There are four basic types of income considered with SSI Calculations: Earned Income (Wages), Unearned Income (Pensions, Dividends, Benefits, Cash from Friends), In Kind and Support Maintenance (Food or Shelter received for free or for a price below market value), and Deemed Income (married spouse's income, or parents if under 18). Some income is not counted, while some is. The first 20\$ received each month is not counted, and after that, the first 65\$ of Earned Income that month. After that, half of earned income is not counted.

Total Income of Month Minus Uncountable Income = Total Countable Income. Then with SSI Federal benefit rate, subtract Countable Income. That is Monthly SSI Benefit.

Ex: Monthly income is 317\$ a month. First 20 is not counted, so 297, *after first 65* of income off, so 232, *then half of that is not counted*, so 116 as Countable Income.

Step 2: Federal benefit Rate is 783, *that minus* 116 which is countable income, means your Monthly benefit is 667\$.

IRS Owes me 3,500\$+ between bonds + second stimulus.

Need to talk to a tax consultant, I was thinking H&R Block. H&R Block has in past years shared support in assisting sex workers do their taxes safely. While I am not a sex worker, for tax purposes, I sort of am, in how I am legally able to handle my taxes, banking, and employment. They would likely be the most competent for the issue of name change + savings bond. I cannot mail the original copies, I need to opt to do the reissuing of them in person. If I have to drive several hours, then that's okay.

H&R had what is called a Reddit AMA, or Ask Me Anything. Some of their biggest rated questions are answered on this page. The AMA might have just been open in

January of 2019 to gather questions, but I will look to see if there is a similar page open currently to ask as well.

[Real Questions from our Reddit Ask Me Anything – Freelance Income | H&R Block \(hrblock.com\)](#)

[\(5\) H&R Block Community \(reddit.com\)](#)