

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL DRS35325-MKfz-186*

Short Title: ABLE Act Changes/Study.

(Public)

Sponsors: Senators Lee, Barringer, and Edwards (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW FOR FUNDS FROM THE PARENTAL SAVINGS TRUST FUND TO
3 ROLLOVER TO AN ABLE ACCOUNT WITHOUT THE FUNDS BEING CONSIDERED
4 AS INCOME AND TO DIRECT THE ABLE PROGRAM BOARD OF TRUSTEES TO
5 REPORT ON ANY LEGISLATIVE RECOMMENDATIONS FOR MODIFICATIONS TO
6 THE STATE ABLE ACT, AS RECOMMENDED BY THE LEGISLATIVE RESEARCH
7 COMMISSION COMMITTEE ON INTELLECTUAL AND DEVELOPMENTAL
8 DISABILITIES.

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.** G.S. 105-153.5(c)(7) reads as rewritten:

11 "(7) The amount deducted in a prior taxable year to the extent this amount was
12 withdrawn from the Parental Savings Trust Fund of the State Education
13 Assistance Authority established pursuant to G.S. 116-209.25 and not used to
14 pay for the qualified higher education expenses of the designated beneficiary,
15 unless the withdrawal was made pursuant to section 529 of the Code and was
16 either (i) without penalty ~~under section 529 of the Code~~ due to the death or
17 permanent disability of the designated ~~beneficiary~~ beneficiary or (ii) rolled
18 over to an ABLE account as defined in G.S. 147-86.70(b)."

19 **SECTION 2.** By December 1, 2018, the ABLE Program Board of Trustees (Board)
20 shall report to the Joint Legislative Oversight Committee on Health and Human Services and the
21 Joint Legislative Oversight Committee on General Government on legislative recommendations
22 for modifications to the Achieving a Better Life Experience (ABLE) Program Trust and its
23 related statutes consistent with the federal ABLE Act. The Board shall include recommendations
24 regarding any recent changes in the federal law and improvements for the administration of the
25 program.

26 **SECTION 3.** Section 1 of this act is effective for taxable years beginning on or after
27 January 1, 2018. The remainder of this act is effective when this act becomes law.



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