



THE MAINE SENATE
132nd Legislature

LD 1735, "An Act to Provide an Income Tax Deduction for Certain Contributions to a Qualified Achieving a Better Life Experience (ABLE) Program Account."
Joint Standing Committee on Taxation
April 6, 2025

Senator Grohoski, Representative Cloutier, and members of the Taxation Committee:

My name is Stacey Guerin and I represent Senate District 4. I am before you today to introduce LD 1735, "*An Act to Provide an Income Tax Deduction for Certain Contributions to a Qualified Achieving a Better Life Experience (ABLE) Program Account.*"

This bill allows Mainers to deduct up to \$1,000 in contributions to a qualified ABLE (Achieving a Better Life Experience) account—sometimes referred to as a 529A account—from their state income taxes. It's a straightforward change that simply brings equity to our tax code by aligning ABLE contributions with the treatment already granted to 529 college savings plans.

Both ABLE and college savings accounts were established under federal Section 529 to help families prepare for the future. The difference is in their focus. While 529 plans help families save for education, ABLE accounts are lifelines for individuals with disabilities and their families—covering essential, everyday expenses like housing, healthcare, assistive technology, and transportation. These accounts are also structured to ensure individuals can build savings without jeopardizing critical public benefits like SSI or Medicaid.

Currently, over 1,100 Mainers use ABLE ME—our state's ABLE program. Across the country, these programs are proving to be vital tools for financial security and personal independence. Yet, in Maine, the tax code still treats these two types of 529 accounts differently. That's not fair. A family saving for a loved one's disability-related needs deserves the same support as a family saving for college.

This bill also takes a measured approach. It includes income limits—\$100,000 for single filers and \$200,000 for married joint filers or heads of household—and applies beginning in the 2025 tax year. It targets relief where it's needed most, while keeping the policy focused and responsible.

At its heart, this bill is about fairness and values. By supporting LD 1735, we are affirming a commitment to dignity, to inclusion, and to practical support for those facing unique challenges. It's a small change in the tax code that will make a big difference in people's lives.

Thank you for your time and consideration of this bill.