Instructions for Forms 1099-QA and 5498-QA

(Rev. December 2026)

(Use with the April 2025 revision of Form 1099-QA and the December 2026 revision of Form 5498-QA.)

Distributions From ABLE Accounts and ABLE Account Contribution Information

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Forms 1099-QA and 5498-QA and their instructions, such as legislation enacted after they were published, go to *IRS.gov/Form1099QA* or *IRS.gov/Form5498QA*.

You can get the Pub. 1099, General Instructions for Certain Information Returns, at *IRS.gov/1099GeneralInstructions*.

What's New

New box 8. A box 8 has been added to Form 5498-QA to report a Trump account to ABLE rollover.

Continuous-use form and instructions. Form 5498-QA and these instructions have been converted from an annual revision to continuous use. Both the form and instructions will be updated as needed. For the most recent version, go to *IRS.gov/Form5498QA*.

Continuous-use revisions. Use the April 2025 revision of Form 1099-QA, the December 2026 revision of Form 5498-QA, and these instructions to file and furnish 2026 information in early 2027. Continue to use these revisions for subsequent years until we issue a superseding revision. Do not use these revisions for prior years.

Eligible individual. For tax year beginning after December 31, 2025, the age limit for determining eligibility based on blindness or disability under title II or XVI of the Social Security Act has increased from 26 to 46. An individual is an eligible individual if they are entitled to benefits due to blindness or disability and such blindness or disability occurred before the date the individual attained age 46.

Contributions. We removed the threshold amounts for contributions throughout these instructions because this amount is adjusted annually for inflation.

Poverty line amounts. We removed the threshold amounts for the poverty line amounts throughout these instructions because these amounts are adjusted annually for inflation. For the annual poverty line amount, go to *aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines*, and use the appropriate amount for a one-person household from the table for the state or geographic area in which the designated beneficiary resided for the longest period of time during the year. See *Contributions*, later.

Address fields. For the Issuer's and Beneficiary's information, we separated the address fields into separate entry boxes on Form 5498-QA.

Reminders

In addition to these specific instructions, you should also use the current Pub. 1099. Those general instructions include information about the following topics.

- Who must file.
- When and where to file.
- Electronic reporting.
- Corrected and void returns.
- Statements to recipients.
- Taxpayer identification numbers (TINs).
- Backup withholding.
- Penalties.
- Other general topics.

Due dates. If the filing due date in these instructions falls on a Saturday, Sunday, or legal holiday, you will be considered to have timely filed if you file by the next day that is not a Saturday, Sunday, or legal holiday. Legal holidays for this purpose are legal holidays in the District of Columbia or a statewide legal holiday where the return is required to be filed. Also, a leap year does not extend the filing deadline. Dates of February 28 in these instructions remain February 28 even in leap years; the due date does not become February 29.

E-filing returns. The Taxpayer First Act of 2019 authorized the Department of the Treasury and the IRS to issue regulations that reduce the 250-return e-file threshold. T.D. 9972, published February 23, 2023, lowered the e-file threshold to 10 (calculated by aggregating all information returns), effective for information returns required to be filed on or after January 1, 2024. Go to *IRS.gov/InfoReturn* for e-file options.

Information Returns Intake System (IRIS). The IRS has developed IRIS, an online portal for *e-filing* information returns. Go to *IRS.gov/IRIS* for more information.

Online fillable forms. Due to the very low volume of paper Forms 1099-QA and 5498-QA received and processed by the IRS each year, these forms have been converted to online fillable format. You may fill out these forms, found online at *IRS.gov/Form1099QA* and *IRS.gov/Form5498QA*, and send Copy B to each recipient.

Qualified ABLE Program

A qualified ABLE program is a program established and maintained by a state, agency, or instrumentality of a state:

- Under which an ABLE account may be established for a blind or disabled individual whose blindness or disability occurred before age 46 (an "eligible individual"), who is the owner and designated beneficiary of the account;
- Which permits contributions to such ABLE account to pay for the qualified disability expenses of the account's designated beneficiary;
- Which limits a designated beneficiary to one ABLE account; and
- That meets the other requirements of section 529A.

Contributions. A program is not treated as a qualified ABLE program unless it meets the following conditions.

1. All contributions must be in cash.

2. Except in the case of a rollover or program-to-program transfer from an ABLE account, if such contribution would result in aggregate contributions from all contributors to the ABLE account for the tax year that would exceed the sum of:

a. The annual contribution limit, plus

b. In the case of additional contributions made by certain employed ABLE account designated beneficiaries, an amount up to the lesser of:

i. The designated beneficiary's compensation for the tax year, or

ii. The poverty line amount for a one-person household (Community Services Block Grant Act (42 U.S.C. 9902)).

The amount is based on P.L. 115-97, section 11024(a)(1)(B)(ii)(II), which allows for "an amount equal to the poverty line for a one-person household, as determined for the calendar year preceding the calendar year in which the tax year begins." To determine the poverty line amount, go to *aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines*, and use the appropriate amount for a one-person household from the table for the state or geographic area in which the designated beneficiary resided for the longest period of time during the year.

To determine the contribution amount:

1. Go to *IRS.gov/InflationAdjustment*,

2. Select the tax inflation adjustment for the applicable tax year, then

3. Click on the revenue procedure link, and

4. Search for Aggregate Limitation on Contributions to ABLE Accounts.

An employed designated beneficiary is not eligible for the increased contribution limit for the tax year if any contribution is made on behalf of the employee to a defined contribution plan (within the meaning of section 414(i)), a section 403(b) plan, or a section 457(b) plan. The designated beneficiary is responsible for maintaining adequate records to document the eligibility for increased contributions. See T.D. 9923, available at *IRS.gov/IRB/2020-50_IRB#TD-9923*.

Separate accounting. A qualified ABLE program must provide separate accounting for each designated beneficiary.

Limited investment direction. A qualified ABLE program provides that a designated beneficiary may, directly or indirectly, direct the investment of any contributions to the program (or any earnings on it) no more than two times in any calendar year.

Pledging of interest as security. A program is not treated as a qualified ABLE program if it allows any interest in the program, or any portion of it, to be used as security for a loan.

Excess aggregate contributions. A qualified ABLE program must provide adequate safeguards to prevent aggregate contributions on behalf of a designated beneficiary in excess of the limit established by the state under the state's qualified tuition program (QTP). Aggregate contributions include contributions to any prior ABLE account maintained by any qualified ABLE program for the same designated beneficiary or any prior designated beneficiary.

Return of excess contributions and excess aggregate contributions. A qualified ABLE program must return an excess contribution or excess aggregate contribution (including all net income attributable to that excess contribution or excess aggregate contribution) to the person who made the contribution on or before the due date (including extensions) for the federal income tax return of the designated beneficiary for the tax year in which the excess contribution or excess aggregate contribution was made.

Rollovers and program-to-program transfers. For purposes of these instructions, a "rollover" means a contribution to an ABLE account of the designated beneficiary (or of an eligible individual who is a member of the family of the designated beneficiary) of all or a portion of an amount withdrawn from the designated beneficiary's ABLE account, provided the contribution is made within 60 days of the date of the withdrawal and, in the case of a rollover to the designated beneficiary's ABLE account, no rollover has been made to an ABLE account of the designated beneficiary within the prior 12 months.

A "qualified ABLE rollover contribution" from a Trump account of the designated beneficiary to an ABLE account of the same beneficiary is only permitted when the full balance of the beneficiary's Trump account is transferred directly (trustee-to-trustee) into an ABLE account in the calendar year the beneficiary turns 17.

A "program-to-program transfer" means the direct transfer of the entire balance of an ABLE account to an ABLE account of the same designated beneficiary in which the transferor ABLE account is closed upon completion of the transfer, or of part or all of the balance to an ABLE account of another eligible individual who is a member of the family of the former designated beneficiary, without any intervening distribution or deemed distribution to the designated beneficiary.

Specific Instructions for Form 1099-QA

Who Must File

Any state or its agency or instrumentality that establishes and maintains a qualified ABLE program must file a Form 1099-QA, Distributions From ABLE Accounts, with the IRS on or before **February 28 of the following year** for each ABLE account from which any distribution was made or which was terminated during the calendar year. The filing may be done by either an officer or employee of the state, its agency, or its instrumentality having control of the qualified ABLE program, or the officer's or employee's designee.

Do not file Form 1099-QA for a change in the name of the designated beneficiary on an ABLE account if the new designated beneficiary is an eligible individual and a member of the family of the former designated beneficiary. If the new designated beneficiary is not an eligible individual for the tax year or is not a member of the family of the former beneficiary, the Form 1099-QA filed with respect to the former designated beneficiary should include in box 1 the fair market value (FMV) of the assets in the ABLE account on the date on which the change is made to the new designated beneficiary. A "member of the family" means a sibling, whether by blood or by adoption, and includes a brother, sister, stepbrother, stepsister, half-brother, or half-sister.

Statements to Recipients

If you are required to file Form 1099-QA, you must also furnish a statement to the designated beneficiary of the ABLE account reporting distributions and to each contributor who received a returned contribution (plus earnings) attributable to the calendar year. Furnish a copy of Form 1099-QA or an acceptable substitute statement to each recipient, but only with regard to the amounts paid to that recipient. See part M in the current Pub. 1099.

Truncating recipient's TIN on payee statements. Pursuant to Regulations section 301.6109-4, all filers of this form may truncate a recipient's TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)) on recipient statements. Truncation is not allowed on any documents the filer files with the IRS. A payer's TIN may not be truncated on any form. See part J in the current Pub. 1099.

Payer's Name and TIN

Enter the name, address, and TIN of the payer. For a program established and maintained by a state that uses the EIN of the state, enter the name of the state on the first name line and the name of the program on the second name line.

Recipient's Name and TIN

List the designated beneficiary as the recipient unless you are reporting a returned excess contribution to the contributor. In that case, list the contributor as the recipient. Enter the TIN of the applicable recipient.

For Calendar Year

Enter the 4-digit calendar year in the "For calendar year" entry space for the calendar year this form is being filed.

Country

For a list of country codes, go to *IRS.gov/CountryCodes*.

Account Number

The IRS encourages you to designate an account number for all Forms 1099-QA that you file. See part L in the current Pub. 1099.

Box 1. Gross Distribution

Enter the gross distribution from the ABLE account during the calendar year. The gross distribution includes amounts distributed that the designated beneficiary intends to roll over to another ABLE account, but does not include program-to-program transfers. See *Rollovers and program-to-program transfers*, earlier. On a Form 1099-QA for a contributor, enter in box 1 the amount(s) of excess contributions returned plus earnings thereon.

Box 2. Earnings

To determine the earnings on the gross distribution, multiply the gross distribution reported in box 1 by the earning ratio, as defined in section 1.529A(b)(7). See Regulations section 1.529A-3(c).

Box 3. Basis

Enter the portion of the distribution that constitutes the return of investment in the account.

The amount of the gross distribution (reported in box 1) minus the earnings portion of that distribution (reported in box 2) is the portion of the distribution that constitutes the return of investment in the account.

Box 4. Program-to-Program Transfer Checkbox

Check this box if a program-to-program transfer was made from this ABLE account to another ABLE account during the calendar year. See *Rollovers and program-to-program transfers*, earlier.

Box 5. ABLE Account Terminated Checkbox

Check the box if the ABLE account terminated during the calendar year.

Box 6. Other Than Designated Beneficiary Checkbox

Check this box if this form is being filed with respect to a distribution to, or for the benefit of, someone other than the designated beneficiary of the ABLE account, for example, a distribution of an excess contribution to the contributor.

Specific Instructions for Form 5498-QA

Who Must File

Any state, or its agency, or instrumentality that establishes and maintains a qualified ABLE program must file, for each ABLE account, a Form 5498-QA, ABLE Account

Contribution Information, with the IRS on or before May 31 of the following year. The filing may be done by either an officer or employee of the state, its agency, or its instrumentality having control of the qualified ABLE program, or the officer's or employee's designee.

Statements to Beneficiaries

If you are required to file Form 5498-QA with the IRS, you must also furnish a statement to the designated beneficiary by **March 15**.

Furnish a copy of Form 5498-QA or an acceptable substitute statement to each beneficiary. For more information on acceptable substitute statements, see part M in the current Pub. 1099.

Truncating beneficiary's TIN on payee statements. Pursuant to Regulations section 301.6109-4, all filers of this form may truncate a beneficiary's TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)) on payee statements. Truncation is not allowed on any documents the filer files with the IRS. An issuer's TIN may not be truncated on any form. See part J in the current Pub. 1099.

For Calendar Year

Enter the 4-digit calendar year in the "For calendar-year" entry space for the calendar year this form is being filed.

Country

For a list of country codes, go to *IRS.gov/CountryCodes*.

Account Number

The IRS encourages you to designate an account number for all Forms 5498-QA that you file. See part L in the current Pub. 1099.

Box 1. ABLE Contributions

Enter the total amount of contributions made to the ABLE account during the calendar year. Include all cash contributions, section 529 QTP to ABLE rollovers, and QTP to ABLE program-to-program transfers. Total contributions do not include any excess contributions returned by the due date of the designated beneficiary's income tax return (including extensions). Do not include the amount of any rollover or program-to-program transfer. If no contributions were made during the calendar year, enter zero in this box.

Box 2. ABLE to ABLE Rollovers

Enter the amount of any rollover or program-to-program transfer to this ABLE account from another ABLE account during the calendar year. Do not include any contributions from a section 529 program. See *Rollovers and program-to-program transfers*, earlier.

Box 3. Cumulative Contributions

You may, but are not required to, enter the amount of cumulative contributions to this ABLE account. This amount is the total of amounts contributed since the establishment of the ABLE account, including amounts contributed to an ABLE account for the same designated beneficiary that was rolled over, or directly transferred (in a program-to-program transfer), to the current ABLE account.

Box 4. Fair Market Value

Enter the FMV of the account as of December 31.

Box 5. Account Opened Checkbox

Check the box if the ABLE account was opened in the current filing year.

Box 6. Basis of Eligibility

Caution: You must enter one code letter in box 6.

Report the basis of the designated beneficiary's eligibility using the codes below.

- Code A—Eligibility established under section 529A(e)(1)(A), SSDI, Title II SSA.
- Code B—Eligibility established under section 529A(e)(1)(A), SSI, Title XVI SSA.
- Code C—Designated beneficiary is the subject of a disability certification filed with the IRS in the current filing year.

Box 7. Type of Disability Code

Caution: The following information will only be used for aggregate reporting purposes as required by law.

Report only one primary code number for the type of disability for which the designated beneficiary is receiving ABLE qualifying benefits. If more than one code applies, select the most significant code.

- Code 1—developmental disorders: autistic spectrum disorder, Asperger's disorder, developmental delays, and learning disabilities.
- Code 2—intellectual disability (may be reported as mild, moderate, or severe intellectual disability).
- Code 3—psychiatric disorders: schizophrenia, major depressive disorder, post-traumatic stress disorder (PTSD), anorexia nervosa, attention deficit/hyperactivity disorder (AD/HD), bipolar disorder.
- Code 4—nervous disorders: blindness, deafness, cerebral palsy, muscular dystrophy, spina bifida, juvenile-onset Huntington's disease, multiple sclerosis, severe sensorineural hearing loss, congenital cataracts.
- Code 5—congenital anomalies: chromosomal abnormalities, including Down syndrome, osteogenesis imperfecta, xeroderma pigmentosum, spinal muscular atrophy, fragile x syndrome, Edwards syndrome.
- Code 6—respiratory disorders: cystic fibrosis.
- Code 7—other: includes tetralogy of Fallot, hypoplastic left heart syndrome, end-stage liver disease, juvenile-onset rheumatoid arthritis, sickle cell disease, hemophilia, and any other disability not listed under codes 1 through 6.

Box 8. Trump Account to ABLE Rollover

Enter the amount of a qualified ABLE rollover contribution from a Trump account to this ABLE account during the calendar year the beneficiary turns 17. See *Rollovers and program-to-program transfers*, earlier.