



Note: *The draft you are looking for begins on the next page.*

Caution: DRAFT—NOT FOR FILING

This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information. **Do not file draft forms.** We incorporate all significant changes to forms posted with this coversheet. However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of a form and the final revision of the form. Forms and instructions are subject to OMB approval before they can be officially released, so we post drafts of them until they are approved. Drafts of instructions and pubs usually have some additional changes before their final release. Early release drafts are at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). Also see [IRS.gov/Forms](https://www.irs.gov/Forms).

Most forms and publications have a page on IRS.gov: [IRS.gov/Form1040](https://www.irs.gov/Form1040) for Form 1040; [IRS.gov/Pub501](https://www.irs.gov/Pub501) for Pub. 501; [IRS.gov/W4](https://www.irs.gov/W4) for Form W-4; and [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA) for Schedule A (Form 1040), for example, and similarly for other forms, pubs, and schedules for Form 1040. When typing in a link, type it into the address bar of your browser, not a Search box on IRS.gov.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or pubs at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). Include “NTF” followed by the form or pub number (for example, “NTF1040”, “NTFW4”, “NTF501”, etc.) in the body of the message to route your message properly. We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product, but we will review each “NTF” message. If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click [here](#).

2025

Department of the Treasury
Internal Revenue Service

Instructions for Forms 1099-QA and 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](https://www.irs.gov/Form1099QA) or [IRS.gov/Form5498QA](https://www.irs.gov/Form5498QA).

You can also get the General Instructions for Certain Information Returns at [IRS.gov/1099GeneralInstructions](https://www.irs.gov/1099GeneralInstructions).

What's New

Contributions. Contributions (including any contributions from a section 529 program, but not including contributions of the designated beneficiary's compensation income made under section 529A(b)(2)(B)) made to your ABLE account in 2025 can't exceed \$19,000. Also, see [Contributions](#), later, for more information.

Reminders

In addition, you should also use the 2025 General Instructions for Certain Information Returns. 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.

Continuous-use form and instructions. Form 1099-QA and its instructions, contained herein, 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/Form1099QA](https://www.irs.gov/Form1099QA).

E-filing Form 1099-QA. 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](https://www.irs.gov/InfoReturn) for e-file options.

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 PDFs. You may fill out these

forms, available at [IRS.gov/Form1099QA](https://www.irs.gov/Form1099QA) and at [IRS.gov/Form5498QA](https://www.irs.gov/Form5498QA), and send Copy B to each recipient.



Form 5498-QA can only be filed on paper.

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 26 (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 provides that no contribution will be accepted:

1. Unless it is in cash; or
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 exceeding the sum of:
 - a. \$19,000 (in 2025), 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)). For 2025, the allowable amount is:
 - \$15,060 in the continental United States,
 - \$18,810 in Alaska, and
 - \$17,310 in Hawaii.

Note. 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." For more information, go to aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines.



The contribution limit is determined using the poverty guideline applicable in the state of the designated beneficiary's residence, rather than the guideline applicable in the state in which the designated beneficiary's ABLE account is established, or elsewhere.

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](https://www.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 "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 **March 1 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. For these purposes, 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. 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.

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 General Instructions for Certain Information Returns.

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 General Instructions for Certain Information Returns.

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.

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 General Instructions for Certain Information Returns.

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 reported in box 1, 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 minus the earnings portion of that distribution is the portion of the distribution that constitutes the return of investment in the account. This amount is computed by subtracting the amount in box 2 from the amount in box 1.

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 June 1, 2026. 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 16, 2026**. Furnish a copy of Form 5498-QA or an acceptable substitute statement to each beneficiary. See part M in the 2025 General Instructions for Certain Information Returns.

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 2025 General Instructions for Certain Information Returns.

Account Number

The IRS encourages you to designate an account number for all Forms 5498-QA that you file. See part L in the 2025 General Instructions for Certain Information Returns.

Box 1. ABLE Contributions

Enter the total amount of contributions made to the ABLE account in 2025. 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 2025 return (including extensions). Do not include the amount of any rollover or program-to-program transfer. If no contributions were made in 2025, 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 in 2025. 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, 2025.

Box 5. Account Opened Checkbox

Check the box if the ABLE account was opened in 2025.

Box 6. Basis of Eligibility



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 for 2025.

Box 7. Type of Disability Code



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.

December 26, 2024