

# Individual Development Accounts



**Quick Look:** Individual Development Accounts are special savings accounts that can help some people save money to buy or fix up a house, start a small business, continue their education, or participate in a training program.

An Individual Development Account (IDA) is a special savings account matched by federal and state dollars. IDAs can help low-income individuals and families save money for education or training, purchasing or rehabbing a home, buying a vehicle, or starting a small business.

## What is an IDA?

They're matched savings accounts designed to help low-income families and individuals save money.

## Who is eligible for an IDA account?

An individual who has a job, earns income, and who is a member of a household with an annual household income of less than 200% of federal income poverty guidelines is eligible for an IDA account.

## How can an IDA help someone who works?

IDAs enable individuals who work to set aside money for financial goals such as buying or rehabbing a home, paying for training or education, or starting or expanding a small business. Funds set aside in IDA accounts usually do not count against the monthly earning limits of TANF and Social Security programs.

## How does an IDA work?

- IDA participants are eligible to receive up to \$4,500 in state and federal match funds that can go toward one of the eligible asset goals mentioned above.
- Account holders agree to deposit at least \$400 each year.
- Savings are matched at a minimum of \$3 for every \$1 saved.
- There is a maximum that can be matched.
- Account holders must participate in the program for a period of time—usually 3 years before the money and the match can be spent.
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For more information on IDAs, click on the Prosperity Now website at <https://prosperitynow.org/issues/individual-development-accounts>.

For help with setting up an IDA account and for help finding a program near you, click on the Indiana Housing and Community Development Authority's webpage on Individual Development Accounts: <http://www.in.gov/myihcda/ida.htm>.

**For general information:**

### **Indiana Works**

*Indiana's Work Incentive Planning and Assistance Program*

**Northern and Central Indiana:**

**1-855-641-8382** (toll free)

or

**Southern Indiana:**

**1-800-206-6610** (toll free)

**For the Benefits Information Network:**



INDIANA INSTITUTE ON DISABILITY AND COMMUNITY  
**CENTER ON COMMUNITY  
LIVING AND CAREERS**

<https://www.iidc.indiana.edu/cclc>

**812-855-6508**