

**Start saving today.  
Be ready for college tomorrow.**



Saving for a college education is an investment in the future. However, college is expensive and the cost of attending may continue to rise. While there are many sources of assistance to ease this burden such as government support, student aid programs, and scholarships, most parents cannot eliminate the need to prepare for the cost of sending their children to college. With the cost of a college education continuing to increase, it is important to start saving early. One attractive way to do this is a 529 plan.

Created by Section 529 of the Internal Revenue Code, a 529 savings plan is a qualified tuition program designed specifically to save for college. 529 college savings plans provide some unique tax advantages not available with other college savings options.

### **Benefits of using a 529 Plan**

- Earnings in the account can grow free from federal and state taxes, and withdrawals are free from federal tax if used for qualified higher education expenses.
- Assets may be used for higher education, including undergraduate and graduate school, community college and technical training. Tuition, fees, room and board, books and supplies are all qualified higher education expenses. Computers and certain computer-related expenses are considered qualified expenses.
- You can contribute up to \$13,000 a year (\$26,000 for married couples filing jointly) without gift-tax consequences. You may also invest \$65,000 (\$130,000 for married couples filing jointly) at one time by taking advantage of the accelerated gifting option.
- There are no income limits on 529 plans.
- You can help save for anyone—child, grandchild, niece, nephew or even friend. You may also change the beneficiary to another member of the child's family.
- You control the assets, so you determine the amount and timing of withdrawals. The investment mix can be changed once a year and when the beneficiary is changed.

You have many college savings options—that prospect can be overwhelming. That is why, when it comes to investing for college, you'll want the advice of a professional. Contact your financial advisor to customize a strategy that is appropriate for your needs.

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