



# THE BENEFITS OF A 529 PLAN ACROSS GENERATIONS

Education savings is an opportunity for multiple generations to invest together with one purpose. Let's look at the benefits a 529 plan can bring to each generation.

## 529 PLANS ARE FLEXIBLE AND HELP POTENTIALLY REDUCE FUTURE DEBT:

529 plans can be used for a variety of post-secondary education expenses such as tuition, room and board, and technology.

**DID YOU KNOW?** FAMILIES CAN USE THEIR 529 PLANS TO REPAY UP TO \$10,000 IN QUALIFIED STUDENT LOANS.\*

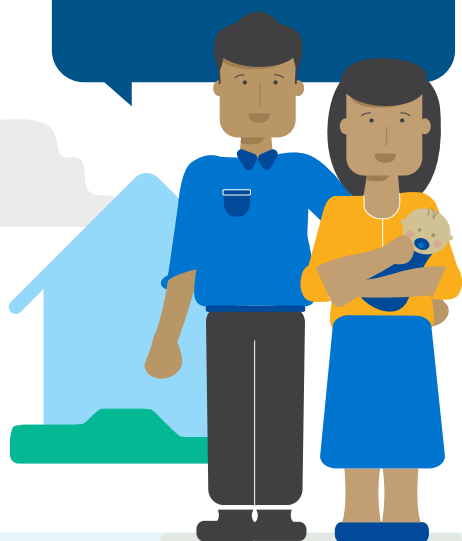
\*New Mexico does not permit state tax deductions for contributions used to pay for K-12 tuition payments and transfers to an ABLÉ account. It likely will not allow deductions for contributions used to pay for student loan repayments and apprenticeship programs. The amounts deducted for these purposes may be recaptured as state taxable income in subsequent years. Click here for more information.



Money saved in a 529 plan may reduce the amount of student loans or financial aid a student needs.

Graduating with less debt may help with future expenses such as buying a home or starting a family.

**DID YOU KNOW?** THE AVERAGE PARENT PLANS TO PAY APPROXIMATELY 65% OF THEIR CHILD'S COLLEGE COSTS, AND 78% ARE ACTIVELY SAVING FOR COLLEGE! A 529 PLAN CAN HELP YOU GET A HEAD START.

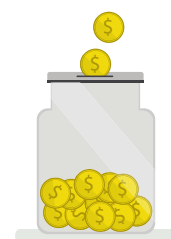


## BENEFITS TODAY, BENEFITS TOMORROW

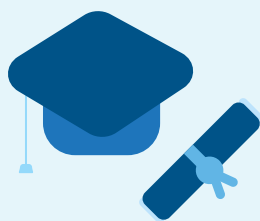
Starting early can make a big difference. The earlier you invest, the more your education savings can potentially grow due to the power of compounding.

Use a 529 plan to pay for Kindergarten through 12th grade tuition expenses (\$10,000 limit).\*

If one child doesn't attend college or receives a scholarship, savings can be transferred to an eligible family member (a sibling or even yourself) as long as it's used for qualified education expenses.



## ENHANCE ESTATE PLANNING WHILE EMPOWERING FUTURE GENERATIONS



Move assets out of your estate into a grandchild/beneficiary's name while retaining control of the assets.

At age 72, fund a 529 plan with your required minimum distributions (RMDs) to minimize gift tax and benefit from tax-free growth.

Distributions from a grandparent-owned 529 plan are considered untaxed student income on the FAFSA.

**DID YOU KNOW?** YOU CAN CONTRIBUTE UP TO \$80,000 (\$160,000 FOR MARRIED COUPLES) IN ONE LUMP SUM PER BENEFICIARY, FREE OF FEDERAL GIFT TAXES, UNDER A PROVISION KNOWN AS "ACCELERATED GIFTING".



## ADDITIONAL 529 PLAN BENEFITS

Qualified withdrawals are free from federal taxes and may also be free from state taxes.<sup>2</sup>

Contribute up to \$15,000 per beneficiary annually (\$30,000 filing jointly).

Available to everyone, regardless of income.

529 plan earnings grow tax deferred.

**TO LEARN MORE ABOUT THE EDUCATION PLAN 529 PLAN, VISIT THE EDUCATIONPLAN.COM**

For more information about The Education Plan, call 1.877.337.5268 or visit [theeducationplan.com](http://theeducationplan.com) to obtain a [Plan Description and Participation Agreement](#), which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing.

**Please Note:** Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program. You also should consult a financial, tax, or other advisor to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to contact directly your home state's 529 plan(s), or any other 529 plan, to learn more about those plan's features, benefits and limitations. Keep in mind that state-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.

The Education Plan is administered by The Education Trust Board of New Mexico. Ascensus College Savings Recordkeeping Services, LLC, the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services. The Education Plan's portfolios invest in: (i) mutual funds; (ii) exchange traded funds; and/or (iii) a funding agreement issued by New York Life. Investments in The Education Plan are not insured by the FDIC. Units of the portfolios are municipal securities and the value of units will vary with market conditions.

Investment returns will vary depending upon the performance of the portfolios you choose. You could lose all or a portion of your money by investing in The Education Plan depending on market conditions. Account owners assume all investment risks as well as responsibility for any federal and state tax consequences.

Ugift is a registered service mark of Ascensus Broker Dealer Services, LLC.

The Education Plan® and The Education Plan® Logo are registered trademarks of The Education Trust Board of New Mexico used under license. All other marks are the exclusive property of their respective owners.

**Not FDIC-Insured. No Bank, State or Federal Guarantee. May Lose Value.**