

COLLEGE SAVINGS FOR EVERY FUTURE

Investing in knowledge, career skills, and life-changing opportunities.

EDVESTSM 529

Your Partner in Saving for Higher Education

What is a 529 plan?

Saving for future education is a financial goal for many families.

A 529 plan is an account that allows you to invest specifically for future education expenses.



529 Plans offer many advantages:



Accessibility

Parents, grandparents, other relatives, and friends can establish a 529 account, or make gifts on behalf of a beneficiary (the student for whom you are saving). The beneficiary can be a child, a spouse, or even yourself).



Flexibility

You can pay for tuition, fees, books, supplies, and more at eligible schools nationwide and many schools abroad. This includes public and private colleges and universities, technical colleges, graduate schools, professional schools, and apprenticeships registered and certified with the Secretary of Labor.



Tax Advantages

Any investment earnings in a 529 plan are tax-deferred, and withdrawals are tax-free when used for qualified higher education expenses. Wisconsin taxpayers who contribute to an account are eligible for a state tax deduction per beneficiary each year. *Limitations apply.*



Wisconsin's Own

Administered by the State of Wisconsin's Department of Financial Institutions, Edvest 529 is **Wisconsin's direct-sold 529 college savings plan** and has been helping families save for higher education for more than 25 years.

Need more information on Edvest 529?

Learn more with live webinars, on-demand videos, and individual appointments.



Edvest.com

1-888-338-3789

Customer support available in multiple languages.

Frequently Asked Questions - Edvest 529

Is there a Wisconsin income tax deduction?

Wisconsin taxpayers are eligible for a state income tax deduction for contributions to the Edvest 529 College Savings Plan.

The maximum tax-deductible amounts for the 2024 tax year are:

- **\$5,000 per Beneficiary** for a single filer or married couple filing a joint return; or
- **\$2,500 per Beneficiary** for a married couple filing separately.

What are qualified higher education expenses?

Qualified higher education expenses include:

- **Tuition, fees, books, supplies and equipment** required for the enrollment and attendance of the beneficiary at any eligible educational institution.
- **Computers and related technology** such as internet access fees, software, or printers, when used primarily by the beneficiary enrolled at an eligible educational institution.
- **Housing and food costs** up to the published cost of attendance, if the student is enrolled at least half time at an eligible higher education institution.
- Certain **additional enrollment and attendance costs** at eligible educational institutions for any beneficiary with special needs.
- Wisconsin taxpayers may also use their savings for **K-12 tuition**, up to \$10,000, per beneficiary, per year, from all 529 plans; and **any qualified education loan** for the beneficiary or the beneficiary's sibling, subject to a lifetime limit of \$10,000.*

**Withdrawals for tuition expenses at a public, private or religious elementary, middle, or high school, registered apprenticeship programs, and student loans can be withdrawn free from federal and Wisconsin income tax. If you are not a Wisconsin taxpayer, these withdrawals may include recapture of tax deduction, state income tax as well as penalties. You should talk to a qualified professional about how tax provisions affect your circumstances.*

Will savings in a 529 plan disqualify my child for financial aid?

Money saved in a 529 plan does not disqualify students from financial aid.

529 assets are typically treated as belonging to the parent and count less in Student Aid Index (SAI) calculations than assets held in the student's name. 529 accounts owned by grandparents, friends, or other family that is not a custodial parent do not impact the SAI.

If your child receives a scholarship that covers the cost of qualified higher education expenses, you can withdraw funds up to the scholarship amount without any penalty. However, you'll have to pay federal and state income taxes on the earnings portion of the withdrawal.

***The treatment of investments in a 529 savings plan varies by school. Assets are typically treated as the account holder's and not the student's. (Student assets are generally assessed at 20% whereas parental assets are generally assessed at 5.6%.) Any investments, including those in 529 accounts, may affect the student's eligibility to get financial aid based on need. You should check with the schools you are considering regarding this issue.*

What if my child or loved one does not need all the funds for education?

With your Edvest 529 account, **you're never locked in.** You'll always have several options:

- Keep the funds in the account, and the investments will be available in future years if the beneficiary changes their mind about school.
- You can transfer the funds to another eligible beneficiary, such as another child, a grandchild or yourself.
- If your account has been opened for at least 15 years, you may be able to rollover funds into a Roth IRA (Individual Retirement Account) for the beneficiary. This special rollover is subject to additional rules and limits.¹
- Make a non-qualified withdrawal - you can withdraw your principal contributions without a penalty, but any earnings will be subject to applicable federal and state taxes plus a 10% additional federal tax on earnings.

To learn more about Wisconsin's Edvest 529 College Savings Plan, its investment objectives, risks, charges and expenses see the Plan Description at Edvest.com. Read it carefully. Investments in the Plan are neither insured nor guaranteed and there is the risk of investment loss. Consult your legal or tax professional for tax advice. Check with your home state to learn if it offers tax or other benefits such as financial aid, scholarship funds or protection from creditors for investing in its own 529 plan. If the funds aren't used for qualified higher education expenses, a federal 10% penalty tax on earnings (as well as federal and state income taxes) may apply. TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, distributor and underwriter for the Edvest 529 College Savings Plan.

¹Funds rolled over to a Roth IRA can be withdrawn free from federal and Wisconsin income tax. If you are not a Wisconsin taxpayer, these withdrawals may include recapture of tax deduction, state income tax as well as penalties. Account Owners and Beneficiaries should consult with a qualified tax professional before rolling over funds from their 529 plan to contribute to a Roth IRA. You are responsible for determining the eligibility of a 529 plan to Roth IRA rollover including tracking and documenting the length of time the 529 plan account has been opened and the amount of assets in your 529 plan account eligible to be rolled into a Roth IRA.