

GET TO KNOW IDAHO'S 529 PLAN.

Thinking about saving for your children's education, but not sure where to start? This is the place, where you can learn the basics on saving with Idaho's own 529 plan.



idsaves.org

WHAT IS A 529?

Plans like the IDeal – Idaho’s 529 College Savings Program are how more families are investing for their loved ones education. With IDeal, Idaho taxpayers enjoy special incentives to help them save for education in a tax-advantaged way.

Fun fact: The name refers to Section 529 in the Internal Revenue Service Code that granted 529s their special tax status.

SPECIAL TAX BENEFITS FOR IDEAL 529 SAVERS



ID tax deduction:

Deduct up to \$6,000 of your IDeal contributions; up to \$12,000, if married filing jointly.¹

Tax-deferred growth:

You pay no tax while you save, and your money can grow free of state and federal taxes.



Tax-free withdrawals:

Pay no tax when you make withdrawals, as long as they're for qualified expenses.²

¹Idaho taxpayers receive a maximum \$6,000 state income tax deduction per individual taxpayer (up to \$12,000 if married, filing jointly) from their State adjusted gross income annually for contributions to IDeal. Contributions to the IDeal - Idaho College Savings Program are deductible from Idaho state income tax, subject to recapture in certain circumstances, such as a non-qualified withdrawal or a rollover to another state's qualified tuition program in the year of the rollover and the prior tax year.

²Earnings on non-qualified withdrawals are subject to federal income tax and may be subject to a 10% federal penalty tax, as well as state and local income taxes. The availability of tax or other benefits may be contingent on meeting other requirements.

WHAT CAN IDEAL SAVINGS BE USED FOR?

K-12 PUBLIC, PRIVATE AND RELIGIOUS SCHOOLS

Tuition, up to \$10,000 per year per beneficiary



2-AND 4-YEAR COLLEGES, UNIVERSITIES AND CAREER AND TECHNICAL SCHOOLS NATIONWIDE³

- Tuition and fees
- Room & required supplies
- Books and supplies
- Computers and Internet costs



APPRENTICESHIP PROGRAMS⁴

- Tuition and fees
- Books and supplies
- Required equipment



STUDENT LOAN REPAYMENT⁵

Repayment of qualified student loans up to \$10,000 per individual per lifetime.



³Eligible institutions include all post-secondary institutions that participate in federal student financial aid programs.

⁴The apprenticeship program must be registered and certified with the Secretary of Labor under the National Apprenticeship Act.

⁵Beginning in 2019, qualified education expenses can include up to \$10,000 of repayments (including principal and interest) on any qualified education loan of either a beneficiary or a sibling of the beneficiary.

529 TRUE OR FALSE

“Money in a 529 account is ‘use it or lose it.’”

True False

Savings in an IDeal account stays your money, no matter what. If your beneficiary doesn't attend school or gets a free ride, you can:

- Transfer the account to an immediate, extended or stepfamily member or spouse; an in-law; even yourself.
- Withdraw the money and pay tax and a 10% penalty on just the earnings portion.

This 10% penalty may be waived if the beneficiary attends a U.S. Military Academy, or becomes disabled or deceased. If the beneficiary receives a scholarship, the amount of the scholarship may also be withdrawn from a 529 account without penalty.

“Having a 529 can negatively affect financial aid eligibility.”

True False

In most cases, having a 529 account will have minimal effect on your ability to get financial aid, provided that a parent – not the student – is the account holder. That's because only 5.64% of 529 funds held in a parent's name are considered in financial aid decisions, vs. 50% of 529 funds in a student's account.

“There's no maximum age for having a 529 plan.”

True False

Considering career training or an advanced degree? Open an IDeal account for yourself.

“Anyone can contribute to a 529, not just a parent.”

True False

Grandparents, aunts, uncles, siblings, friends – anyone can make a contribution to an IDeal 529 account. Ugift® makes it so easy, and it's a great way to celebrate birthdays, holidays, any special day with the gift of education.

Idaho employers:

- Add IDeal to your benefits package with no extra work or cost
- Opt to contribute to employee accounts as a company and get a 20% tax credit, up to \$500 per employee

GETTING STARTED: THREE SIMPLE STEPS



CLICK.

Go to idsaves.org and click "Enroll Now"



CONTRIBUTE.

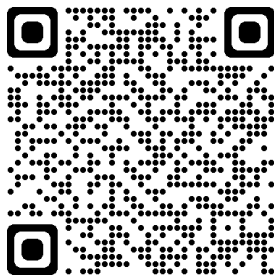
Start with just \$25, or opt to contribute automatically from your bank account or paycheck



CHOOSE.

IDEal has investment options from DIY portfolios to one that adjusts as your child ages

Contact Nick Thiros at Nickolas.thiros@idaho529.org or call **208-488-9879** or use the code below to schedule a visit or speaking engagement.



For more information about the Idaho College Savings Program (“IDeal”), call 1.866.433.2533 or visit www.idsaves.org to obtain a Disclosure Statement. The Disclosure Statement discusses investment objectives, risks, charges, expenses, and other important information. Because investing in IDeal is an important decision for you and your family, you should read and consider the Disclosure Statement carefully before investing.

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.

IDeal is administered by the Idaho College Savings Program Board (Board). Ascensus Broker Dealer Services, LLC (“ABD”), the program manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory and record keeping and administrative services. The Vanguard Group, Inc. (Vanguard) serves as Investment Manager for IDeal. Sallie Mae Bank serves as the Savings Portfolio Manager for IDeal. IDeal’s Portfolios invest in either: (i) mutual funds and a separate account offered or managed by Vanguard; or (ii) an FDIC-insured omnibus savings account held in trust by the Board at Sallie Mae Bank. Except for the Savings Portfolio, investments in IDeal 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. Except to the extent of FDIC insurance available for the Savings Portfolio, you could lose all or a portion of your money by investing in IDeal, depending on market conditions. Account Owners assume all investment risks as well as responsibility for any federal and state tax consequences.

Not FDIC-Insured (except for the Savings Portfolio). No Bank, State or Federal Guarantee. May Lose Value.