



Save and Pay for College More Easily

There is a lot to think about when your student is preparing for college. You've done the work in saving diligently with a 529 plan, but did you know there are ways to make sure you're paying for college smartly as well? Earnings growth is tax exempt so long as you are taking a "qualified distribution" from your 529 account.¹

So, what counts as a qualified distribution?

Eligible expenses include:²

- Tuition
- Fees
- Supplies
- Equipment, now including computers!
- On- and off-campus room and board³
- Up to \$10,000 in K-12 tuition per beneficiary per year

NEW

- Loans^{4,5}
- Apprenticeships^{4,5}
- 529 to Roth IRA Rollovers⁶

Eligible institutions include most two- and four-year colleges, technical, vocational and graduate schools as well as primary or secondary public, private and religious schools.⁷

IAdvisor 529 Plan can help you pay for college more efficiently

To help you on your journey to pay for college, when taking a distribution for a qualified expense, make sure the check is made payable to the school. This way, the distribution can be coded as qualified and reported as such on your tax form for the year. If distributions are not sent directly to the institution and are made out to the plan's beneficiary, it will be coded as a non-qualified distribution, and any proof needed to change that to qualified will have to be made at tax time with a tax advisor.



529 Benefits



Account holder maintains control

Special gifting rules



Additional Benefits of IAdvisor 529 Plan:

- No time, age or income limits for contributions
- Covers most expenses at most schools
- Three ways to invest using world-class managers
- Owner retains access and control
- Removes assets from taxable estates
- Special gifting rules allow higher funding opportunities



Plans are flexible



Accepted at most schools nationwide

College is possible. Working with your financial professional, you can reach your education funding goals. For more planning resources, gifting and saving tools, and information on investment options visit IAdvisor529.com, or contact your financial professional.

- ¹ Contributions to an Account that were previously deducted by an Account Owner for Iowa income tax purposes must be included in Iowa taxable income when distributed, unless, and to the extent, they are used to pay for Qualified Education Expenses.
- ² Only one state, Alabama, does not offer state tax-free withdrawals for qualified expenses for any plan but its own. It is important to review local state tax laws before withdrawing from a 529 to pay for K-12 tuition, rules surrounding these distributions vary between states. Some states do not consider these distributions to be qualified and/or may apply additional criteria in order for the distributions to be considered qualified.
- ³ For off-campus housing to be considered a qualified expense, the student must be enrolled at least half-time, and the price of off-campus housing cannot exceed that of on-campus housing. Please visit [irs.gov](https://www.irs.gov) for more information, or consult your tax advisor.
- ⁴ The SECURE Act was passed by congress which included two important provisions that expand the benefits of 529 plans:
 - Apprenticeships - Qualified distributions for 529 plans would include "expenses for fees, books, supplies and equipment"... "required for participation"... "in an apprenticeship program registered and certified with the Secretary of Labor under section 1 of the National Apprenticeship Act (29 U.S.C. 50)." The Department of Labor (DOL) would be the source for registering or certifying the apprenticeships.
 - Student Loans - Qualified distributions for 529 plans would include principal and/or interest student loan payments up to \$10,000 per beneficiary or sibling (brother, sister, stepbrother or stepsister) of the beneficiary up to a \$10,000 lifetime maximum per person.
- ⁵ Only the federal tax treatment of expenses for apprenticeships and the repayment of student loans was changed by the SECURE Act. State taxpayers should be aware that it has not yet been determined if states conform to the federal legislation. As a result, it is important for state taxpayers to consult their tax advisors before (1) making a withdrawal for apprenticeship and student loan payments or (2) making a contribution to a 529 plan which they intend to ultimately withdraw for apprenticeship or student loan payments. State tax treatment varies by state. Taxpayers who reside or have income in other states should also consult with a qualified tax advisor before taking any such actions.
- ⁶ The SECURE 2.0 Act was passed by congress, which included one important provision that expands the benefits of 529 plans:
 - 529 to Roth IRA Rollover - An Account Owner is permitted to rollover from a 529 Account to a Roth IRA without incurring federal or Wisconsin income tax or penalties, subject to the following conditions: 1) The Account must have been open for 15 or more years, ending with the date of the rollover; 2) Contributions and associated earnings that you transfer to the Roth IRA must have been in the Account for more than 5 years, ending with the date of the rollover; 3) The rollover does not exceed the lifetime maximum amount of \$35,000 per designated beneficiary to be rolled over from 529 plan accounts to Roth IRAs; 4) The rollover is into a Roth IRA maintained for the benefit of the Beneficiary on the Account; and 5) The rollover is sent directly to the Roth IRA.
 - Please note that Roth IRA income limitations are waived for 529 plan rollovers to Roth IRAs; however, a Roth IRA contribution is subject to the Roth IRA contribution limit for the taxable year applicable to the Beneficiary for all individual retirement plans maintained for the benefit of the Beneficiary.
- ⁷ Distributions for tuition in connection with enrollment or attendance at a primary or secondary public, private, or religious school are federally income-tax free up to a maximum of \$10,000 per taxable year per beneficiary from all 529 plans. The tax treatment of withdrawals used to pay for primary and secondary school tuition differs between states and as such may differ from the federal tax treatment as well. For Iowa income tax purposes, "elementary or secondary school" means an elementary or secondary school in Iowa, which is accredited under Iowa Code Section 256.11 and adheres to the provisions of the federal Civil Rights Act of 1964 and Iowa Code Chapter 216.



The IAdvisor 529 Plan is offered by the Iowa Educational Savings Plan Trust, a trust organized under Iowa law and administered by the Iowa State Treasurer's Office. The Treasurer of the State of Iowa is responsible for overseeing the administration of the IAdvisor 529 Plan.

The Options in the IAdvisor 529 Plan are not mutual funds, although they invest in mutual funds. An investment in the IAdvisor 529 Plan is an investment in municipal securities and the value of the Options will vary depending on the value of the underlying funds in which the Options invest. Investment returns are not guaranteed and you could lose money by investing in the IAdvisor 529 Plan.

These securities are not registered with the U.S. Securities and Exchange Commission ("SEC") or any state, nor is the IAdvisor 529 Plan or any of the IAdvisor 529 Plan Options registered as an investment company with the SEC or any state.

If you are not an Iowa taxpayer, consider before investing whether your or the beneficiary's home state offers a 529 plan with favorable state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that may only be available through investments in that state's 529 plan and which are not available through investment in the IAdvisor 529 Plan.

Non-qualified withdrawals may be subject to federal and state taxes and an additional federal 10% tax.

The tax information presented herein should not be construed as tax advice. Before implementing any strategy that seeks tax advantages, 529 account owners should consult with their financial professionals, accountants, or other tax professionals.

The tax information herein is not intended to be used, and cannot be used by any taxpayer, for the purpose of avoiding tax penalties. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.

Investments in IAdvisor 529 Plan are subject to certain charges, which will reduce the value of your Account as they are incurred. Please see the Program Description for details of charges or fees that apply to the specific IAdvisor 529 Plan.

Investments in IAdvisor 529 Plan are subject to investment risks, including the loss of the principal amount invested, and may not be appropriate for all investors.

Voya Investment Management is not an underwriter for any underlying municipal securities.

An investor should consider the investment objectives, risks, charges and expenses associated with the IAdvisor 529 Plan before investing. More information about the IAdvisor 529 Plan is available in the Program Description. You may obtain Program Description at www.IAdvisor529.com or by calling 800-774-5127. The Program Description should be read carefully before investing.

NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE • NOT A DEPOSIT