

The Illinois Student Assistance Commission administers Illinois' 529 prepaid tuition plan, *College Illinois!*® The purpose of this program is to provide Illinois families with an affordable, tax-advantaged method to pay for college. Illinois prepaid tuition contracts allow participants to prepay the cost of tuition and mandatory fees at Illinois public universities and community colleges. Contract benefits also can be used at private and out-of-state colleges and universities. Contracts can be purchased by lump sum payment or by installments during a limited enrollment period each year. Earnings are exempt from federal and state income taxes and contributions toward payment of *College Illinois!*® contracts can be deducted from Illinois State income tax. If the designated beneficiary decides not to attend college, the contract can be transferred to another family member, or the purchaser can request a refund, with interest, minus a nominal cancellation fee. In 2008, the ISAC Commission approved a new pricing structure to serve more Illinois families at more pricing points. Table 6.0 provides information on program enrollment and payout.

## **PART SIX -- COLLEGE ILLINOIS!® 529 PREPAID TUITION PROGRAM**