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Tax Tip: Use Your Refund to Start Funding Your Child's Future College Education

Make it happen with a flexible and affordable College Illinois!® 529 Prepaid Tuition plan

CHICAGO— It's almost tax day and if you're expecting a tax refund you might consider paying it forward—for your child's college education. With college tuition and mandatory fees more than doubling in Illinois over the last decade, it's hard to know how much to save for college. But with a [College Illinois!® 529 Prepaid Tuition](#) plan, you can lock in the cost of college now at today's plan rates, so no matter how high tuition increases by the time your student is ready to attend college, tuition and mandatory fees will be covered for the schools in your plan.

"With flexible plans and pricing to meet almost any budget, it's easy to get started on a plan to make college possible for your child or grandchild," said Sandra Houston, director of College Illinois!. "You can use your tax refund to purchase semesters of college for as little as \$21 a month. Plus, one of the greatest advantages of the program is that the value of plan benefits can be used at almost any college or university in the country."

As a qualified 529 plan, College Illinois! offers great tax advantages in setting aside funds for future college costs:

- On the federal and state level, earnings on contributions are tax exempt as long as they are used to pay qualified educational expenses.
- Illinois residents get a state tax deduction for contributions to the plan—up to \$10,000 a year for individuals and \$20,000 for couples filing jointly.
- Also, with certain limitations, there is a federal gift-giving exemption, making the Program a particularly great tool for grandparents and other friends and family who would like to support a student's future college education.

By starting to plan early for college—with the investment of a tax refund, for example—families can rest easy knowing they will already have college tuition paid for by the time their student is ready to attend school. That means they can reduce or even eliminate the need to take on student loan debt. And with

all the current uncertainty surrounding state grant funding and the availability of financial aid, it is reassuring to know that this school year alone more than 10,000 students are using College Illinois! benefits to attend the school of their choice, including at private and out-of-state institutions.

For more information on how you can help make college happen for your child while enjoying great tax benefits, visit www.collegeillinois.org or contact 1-877-877-3724 to talk with our call center from 8 am-5 pm, Monday through Friday. General enrollment runs through May 31st. Newborn enrollment, for children born between September 1, 2015 and August 31, 2016, runs through August 31, 2016.

About College Illinois!

Since its inception in 1998, College Illinois! has been focused on providing an affordable option to help make college a reality for Illinois families. Administered by the Illinois Student Assistance Commission, College Illinois! [529 Prepaid Tuition plans offer a unique set of benefits](#), including protection from tuition inflation, flexibility, and significant tax benefits. Program assets, which are held in the Illinois Prepaid Tuition Trust Fund and kept separate from all public moneys or funds of the state, are professionally managed by an experienced team led by a Chief Investment Officer and established third party asset managers. By law, College Illinois! funds can only be used to pay benefits on behalf of plan beneficiaries and to pay the costs of running the Program.

More information on plan options and benefits, as well as a complete description of terms and conditions associated with the purchase of a plan, is available at www.collegeillinois.org.

The College Illinois! Prepaid Tuition Program cannot provide purchasers with legal or tax advice. Individual tax situations vary greatly. Purchasers should consult their tax advisor concerning federal and state tax implications of purchasing a contract.

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