Getting to college is hard work. Paying for it doesn't have to be.

When you save for your children's education in a state-sponsored 529 savings plan, their dreams – and your future savings goals – become easier to achieve. Unlike other investment accounts or future student loans, a 529 plan allows you to take advantage of additional benefits, both now and in the future.

Tax Free

Earnings in a 529 account grow free of federal and state income tax - and, in some states, you may receive a state income tax deduction or tax credit on the contributions you make.

Flexible

Funds in a 529 account can be used to pay for a number of college expenses - tuition, books, computers, room and board costs, and fees. Also education expenses required for the participation in a certified apprenticeship program and student loan payments for the designated beneficiary. Loan repayment is subject to a lifetime limit of $10,000. See specific state plan for details.

Simple

You can open a 529 account for your children, your grandchildren, even for yourself. And you can change your beneficiary at any time.

TIAA-CREF Tuition Financing, Inc. (TFI)

TIAA-CREF Tuition Financing, Inc. (TFI) is a pioneer in the management of 529 college savings plans, having provided program management and administration of 529 plans since signed into law more than two decades ago. TFI is committed to helping families save for their loved ones' college education through low-cost, high-value 529 programs—a natural extension of TIAA's commitment to higher education.

FAQs on 529s

What is a 529 college savings plan? It's a tax-advantaged investment account designed to help save for future qualified education expenses. By law, all 529 plans must be state sponsored, but they're available to any qualifying U.S. citizen.

Do I have to use the plan in the state where I live? No. You can choose almost any state's 529 plan; most have no residency requirements. Some states offer tax incentives to in-state residents and/or beneficiaries, so it's best to find out before choosing a plan.

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FAQs on 529s

Are 529 college savings plans only for in-state, public institutions? No. Funds can be used to send your beneficiary to any accredited post-secondary educational institution offering credit toward a bachelor's or associates degree; a graduate-level or professional degree; or two-year technical or vocational institution, as well as qualifying international schools and certified apprenticeship programs. See specific state plan for details. To determine eligibility, contact the school, or search the Federal School Code at **studentaid.ed.gov/sa/fafsa.**

Who can open a 529 plan? In general, any U.S. citizen or resident alien with a Social Security Number or federal Taxpayer Identification Number (TIN) can open and contribute to a 529 college savings plan account.

Can I change a beneficiary? Most plans allow you to change the beneficiary, provided the new beneficiary is an eligible "family member" as defined by the IRS.

Does the beneficiary assume ownership of the account when he/she reaches college? No. You will always be the owner and have full control of the account. The beneficiary cannot withdraw money or change investment options.

Is there a maximum contribution amount? Maximum contribution amounts vary among state plans, as do maximum account values, which range from $235,000 to upward of $500,000 for a single beneficiary.

Who can contribute? Anyone can contribute as long as the account does not exceed the per-beneficiary annual threshold of that state.

What if my beneficiary does not attend college? The account owner may name another beneficiary, providing they're a qualifying family member of the previous beneficiary. Funds withdrawn from a 529 plan for purposes other than qualifying education expenses will be subject to federal income tax on earnings; a 10% federal penalty tax; and possible state tax consequences. Speak to your tax advisor before taking any action.

What happens if my beneficiary receives a scholarship? The account owner can withdraw funds from the account, up to the amount of the scholarship, without penalty or additional tax. If the withdrawal exceeds the scholarship amount, the earnings portion of the withdrawal will be subject to a 10% federal tax. Again, consult your tax advisor before taking any action.

What are considered qualified expenses? These expenses include tuition, fees, room and board expenses, and the cost of books, supplies, and equipment. Computers, internet access fees, software and printers also qualify, as well as education expenses required for the participation in a certified Apprenticeship Program and student loan repayment up to $10,000. See specific state plan for details.

Are 529 plans only for college expenses? No. Up to $10,000 annually can be used for K-12 school tuition for a single beneficiary. Withdrawals used toward K-12 tuition expenses can be subject to state tax, depending on the state in which the account owner pays state income tax. Additionally, 529 funds may be used for education expenses required by certified apprenticeship programs, as well as, student loan repayment of up to $10,000. See specific state plan for details.

Don't wait to start saving for your child's future.

Learn more today about 529 plans through TFI at **TIAA.org/529.**

Call **888-381-8283** to speak to an education savings consultant.