



## Michael L. Fitzgerald, Treasurer of State

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### State Treasurer Fitzgerald Announces 2014 College Savings Iowa Deduction Amount

**DES MOINES, Iowa** – State Treasurer Michael L. Fitzgerald wants to encourage families to start their New Year off with a bang by considering a contribution to a loved one’s future education. “With the New Year, comes an increased Iowa state income tax deduction when making contributions to College Savings Iowa,” Fitzgerald said. “Iowa taxpayers are now able to deduct the first \$3,098 they contribute per child on their 2014 state taxes.\* What better way to start off a new year than with an early deduction off of your taxes?”

College Savings Iowa is the state sponsored college savings plan that allows participants to start saving on behalf of a future scholar. “One of the best features of College Savings Iowa is how easy it is to get started,” continued Fitzgerald. “All you need is \$25 and ten minutes of your time to start saving for a loved one’s future educational expenses. I encourage all families to save whatever they can today to help offset what has to be borrowed in the future.

College Savings Iowa lets parents, grandparents, friends and relatives invest for college on behalf of a future scholar. Investors in the plan can withdraw their investment tax-free to pay for qualified higher education expenses. These expenses include tuition, books, supplies and room and board at any eligible college, university, community college or accredited technical training school in the United States or abroad.\*\* While participants do not need to be an Iowa resident to invest in the plan, they do need to be an Iowa taxpayer to take advantage of the Iowa income tax deduction.

“By starting early, saving a little at a time and making smart investment choices, you could make 2014 a year to never forget,” Fitzgerald said. “Not only will you get a tax deduction, but this could be the year you take that first step towards helping a loved one start financing the path to the rest of their life.”

For more information about College Savings Iowa, call 888-672-9116 or visit [collegesavingsiowa.com](http://collegesavingsiowa.com). To stay up to date on current giveaways and events, connect with the Plan on Facebook and Twitter (@Iowa529Plan).

*\*If withdrawals are not qualified, the deductions must be added back to Iowa taxable income. Amount adjusted annually for inflation.*

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

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*Investment returns are not guaranteed and you could lose money by investing in the plan. Participants assume all investment risks as well as the responsibility for any federal and state tax consequences. If you are not an Iowa taxpayer, consider before investing whether your or the designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.*

*For more information about the College Savings Iowa 529 Plan, call 888-672-9116, or visit [collegesavingsiowa.com](http://collegesavingsiowa.com) to obtain a Program Description. Investment objectives, risks, charges, expenses and other important information are included in the Program Description; read and consider it carefully before investing. Vanguard Marketing Corporation, Distributor.*

*College Savings Iowa is an Iowa trust sponsored by the Iowa state treasurer's office. The treasurer of the state of Iowa sponsors and is responsible for overseeing the administration of the College Savings Iowa 529 Plan. The Vanguard Group, Inc., serves as Investment Manager and Vanguard Marketing Corporation, an affiliate of The Vanguard Group, Inc., assists the treasurer with marketing and distributing the plan. Upromise Investment Advisors, LLC, provides records administration services. The plan's portfolios, although they invest in Vanguard mutual funds, are not mutual funds.*