



Michael L. Fitzgerald, Treasurer of State

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Treasurer Fitzgerald Reminds Iowans They Can Still Invest in College Savings Iowa for the 2018 Tax Year

DES MOINES, Iowa – State Treasurer Michael L. Fitzgerald wants to remind Iowans they still have time to maximize their state tax deductions for 2018. “One of the greatest benefits for College Savings Iowa account owners is the state tax deduction they can take annually for their contributions,” said Fitzgerald. “Accounts owners still have until April 30, 2019, to contribute for the 2018 tax year and deduct up to \$3,319 per beneficiary account from their state taxable income.”

Treasurer Fitzgerald also announced last month the increased deduction amount for 2019. Iowa taxpayers can deduct the first \$3,387 they contribute per beneficiary account from their state taxable income in 2019*. For example, a married couple with two children will be able to deduct up to \$13,548 in College Savings Iowa contributions on their 2019 state taxes.

College Savings Iowa is designed to provide families a tax-advantaged way to save money for their children’s higher education. It only takes \$25 to open an account, and anyone – parents, grandparents, friends and relatives – can invest in College Savings Iowa on behalf of a child. Earnings grow tax free and participants can withdraw their investment federally and Iowa state tax-free to pay for qualified higher education expenses including tuition, books, supplies and certain room and board costs at any eligible college, university, community college or accredited technical training school in the United States or abroad.**

Saving for a child’s education is always a smart investment, and College Savings Iowa is there to help. To learn more about College Savings Iowa or to open an account, please visit CollegeSavingsIowa.com or call 1-888-672-9116. For more information about future giveaways and events find College Savings Iowa on Facebook and Twitter (@Iowa529Plan).

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

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