



Michael L. Fitzgerald, Treasurer of State

For Immediate Release January 7, 2019

CONTACT PERSON(S): Michael Fitzgerald, Treasurer of State 515-281-5368
 Karen Austin, Deputy Treasurer 515-281-7677

State Treasurer Fitzgerald Announces 2019 College Savings Iowa Deduction Amount

DES MOINES, Iowa – State Treasurer Michael L. Fitzgerald announced today that the Iowa income tax deduction has once again been raised for those saving with College Savings Iowa.* “Iowa taxpayers can deduct the first \$3,387 they contribute per beneficiary account from their state taxable income in 2019,” Fitzgerald said. “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.”

Treasurer Fitzgerald is also reminding Iowa taxpayers that they may elect to contribute to their College Savings Iowa account up through the tax deadline for filing an individual Iowa state income tax return. “There is still time to contribute for 2018,” Fitzgerald added. “Iowa taxpayers can still contribute for the 2018 tax year up through April 30, 2019, and claim a 2018 tax deduction of up to \$3,319 per College Savings Iowa account.”

College Savings Iowa lets parents, grandparents, friends and relatives invest for college on behalf of a future scholar. It takes just \$25 and 10 minutes to open an account online. Investors in the plan can withdraw their investment tax free to pay for qualified higher education expenses, which 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.

For more information about College Savings Iowa, call 888-672-9116 or visit CollegeSavingsIowa.com. Connect with the plan on Facebook and Twitter (@Iowa529Plan) to stay up to date on current giveaways and events.

**Adjusted annually for inflation. If withdrawals are not qualified, the deductions must be added back to Iowa taxable income. The availability of tax or other benefits may be contingent on meeting other requirements.*

***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.*