



# Michael L. Fitzgerald, Treasurer of State

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## State Treasurer Fitzgerald Announces Price Reduction for College Savings Iowa

**DES MOINES, IA-** State Treasurer Michael Fitzgerald announces the College Savings Iowa 529 plan has reduced its fees for the eighth time in 15 years. “As the program continues to grow, we’ve been able to assist our current and new account owners by consistently cutting costs,” Fitzgerald said. “I’m proud to be able to improve the plan and ensure more money stays in parents’ and grandparents’ accounts for the benefit of their families.” The price reduction brings the annual asset-based fees of College Savings Iowa’s portfolios down from 0.20% to 0.19%, a 5% reduction effective February 1, 2021. This means investors pay only \$1.90 per \$1,000 invested annually.

Under Fitzgerald’s administration, College Savings Iowa assets have grown to more than \$5.9 billion. “This substantial growth over the last 22 years has allowed the plan to lower its fees and share the benefits with our great investors,” said Fitzgerald. “I foresee continued success and growth for our account owners and am committed to delivering one of the best 529 plans around the country.”

Not only are there low costs, but account owners can save on their taxes while saving for their loved ones when investing with College Savings Iowa. For example, Iowa taxpayers who are College Savings Iowa account owners can deduct the first \$3,474 they contribute per beneficiary account from their state taxable income in 2021.\* Investment earnings grow tax-deferred in a College Savings Iowa account and withdrawals are tax-free when used for qualified education expenses.\*\*

College Savings Iowa is a 529 plan that lets parents, grandparents, friends and relatives invest for education expenses on behalf of a future scholar. More than \$3.3 billion has already been used to

help students achieve their education dreams and pay for qualified expenses such as tuition, room, board, books, supplies and more at accredited programs around the country.

For more information about College Savings Iowa, call (888) 672-9116 or visit [CollegeSavingsIowa.com](http://CollegeSavingsIowa.com). Connect with the plan on [Facebook](#) and [Twitter](#) to stay up to date on current events and plan updates.

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*\*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.*