



Michael L. Fitzgerald, Treasurer of State

For Immediate Release

January 13, 2021

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

State Treasurer Fitzgerald Announces Increased College Savings Iowa Deduction Amount for 2021

DES MOINES, IA- State Treasurer Michael Fitzgerald announces the College Savings Iowa 529 Plan state tax deduction has increased for 2021. “Iowa taxpayers who are College Savings Iowa account owners can now deduct the first \$3,474 they contribute per beneficiary account from their state taxable income in 2021,”

Fitzgerald said. “This could mean a deduction of up to \$13,896 for a family of four when both parents have accounts for each of their children! It’s an ideal scenario for those who want to keep more money in their pocket while saving for future education.”*



Since its creation over 20 years ago, College Savings Iowa has grown to over \$5.7 billion in assets under Treasurer Fitzgerald’s administration. “I am extremely pleased to have been a part of the substantial growth of this program and the impact College Savings Iowa has had on families around the state,” Fitzgerald stated. “Saving for education and preparing our future generations for the adventures in front of them is one of the most rewarding things we can do. College Savings Iowa helps families achieve their goals with great investment and tax benefits, and more than \$3.2 billion has already been used to help students achieve their education dreams.” Open an account for a loved one in less than 10 minutes at CollegeSavingsIowa.com.

College Savings Iowa is a 529 program that lets parents, grandparents, friends and relatives invest for education expenses on behalf of a future scholar. With funds and earnings from a College Savings Iowa account, families can pay for qualified expenses like tuition, room, board, books, supplies and more at any accredited program around the country.** The education institution does not have to be in Iowa and includes colleges, universities, community colleges,

trade schools, apprenticeship programs and more. College Savings Iowa holds over \$5.7 billion in assets with more than 255,000 active accounts and an average account size of \$21,333.

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

###

**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.*