



Michael L. Fitzgerald, Treasurer of State

Editorial For Immediate Release February 9, 2021

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College Savings Iowa is Lowering Costs in 2021

Guest Editorial from State Treasurer Michael L. Fitzgerald

As Iowa's State Treasurer, I launched and have managed the College Savings Iowa 529 plan for more than 22 years. It has been incredibly rewarding to be a part of the plan's growth, which now holds more than \$5.9 billion in assets. Additionally, more than \$3.3 billion has been used for qualified education expenses. From the beginning, my mission has been to help families save more for the growing costs of education, and reducing plan fees allows me to continue that pursuit.

My commitment in 2021 is no different, and I am proud to announce the plan's eighth price reduction in the last 15 years! 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. By lowering the asset-based fee and never charging for sales commissions or advisor fees, College Savings Iowa is helping keep more money in accounts for your future education expenses.

However, the price reduction is not the only exciting announcement for College Savings Iowa in 2021. If a College Savings Iowa account owner is also an Iowa taxpayer, they can now deduct the first \$3,474 they contribute per beneficiary account from their state taxable income in 2021.* This tax deduction increases annually and is a great way for Iowans to save on their taxes while saving for future generations or themselves.

With the low costs, and the great tax benefits, College Savings Iowa continues to offer great opportunities for those looking to save for their loved ones' future education. Visit CollegeSavingsIowa.com to learn more about the benefits of saving with a 529 plan and enroll today.

About the Author: Michael L. Fitzgerald is the State Treasurer of Iowa. He serves as the State's banker, coordinates bonding and invests Iowa's money. Under Treasurer Fitzgerald's leadership, Iowa launched important programs including the Great Iowa Treasure Hunt unclaimed property program, College Savings Iowa 529 education savings plan and IAble, Iowa's ABLE plan for individuals with disabilities. To learn more about the Treasurer, visit IowaTreasurer.gov. For more information on College Savings Iowa, visit CollegeSavingsIowa.com.

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