



## Michael L. Fitzgerald, Treasurer of State

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

### Treasurer Fitzgerald Encourages Iowans to Invest Their Tax Refunds in College Savings Iowa

**DES MOINES, Iowa** – State Treasurer Michael L. Fitzgerald encourages Iowa taxpayers to make the most of their tax refunds by investing them in College Savings Iowa. “I would also like to remind Iowans that there is still time to contribute for 2015 and claim a tax deduction of up to \$3,163 per College Savings Iowa account,” Fitzgerald said.

New this year, Iowa taxpayers may elect to contribute to their College Savings Iowa account up through the tax deadline for filing an individual Iowa state income tax return, which is May 2, 2016. “This is a great opportunity to use your federal tax return to open a new College Savings Iowa account, or contribute to your current accounts, and still receive the 2015 Iowa state tax deduction,” Fitzgerald added.

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. Participants who are Iowa taxpayers can deduct contributions up to \$3,188 per beneficiary from their 2016 adjusted gross income, and there are no income or residency restrictions.\* Earnings grow tax free and investors 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](http://CollegeSavingsIowa.com) or call 1-888-672-9116.

***Note:** Effective for tax years beginning on or after January 1, 2015, Iowa taxpayers may now elect to treat contributions to their College Savings Iowa account made up through the deadline (excluding extensions) for filing an individual Iowa state income tax return (generally April 30).*

*\*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.*

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*Investment returns are not guaranteed and you could lose money by investing in the plan. Participants assume all investment risks as well as responsibility for any federal and state tax consequences. If you are not an Iowa taxpayer, consider before investing whether your or the designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.*

*For more information about the College Savings Iowa 529 Plan, call 888-672-9116 or visit [www.CollegeSavingsIowa.com](http://www.CollegeSavingsIowa.com) to obtain a Program Description. Investment objectives, risks, charges, expenses, and other important information are included in the Program Description; read and consider it carefully before investing. Vanguard Marketing Corporation, Distributor.*