

Estate planning with *529 plans*

Accelerated gifting and the legacy of higher education

An important part of any strategic financial plan is estate planning. 529 plans, like Indiana529 Advisor, offer an important benefit that can help your estate planning efforts while you save for higher education—accelerated gifting.

The basics: gifting benefit

You can contribute up to \$18,000 per year, per beneficiary, into Indiana529 Advisor accounts without paying gift taxes. For instance, if you contribute the maximum into accounts for 6 grandchildren, that would equal \$108,000 ($\$18,000 \times 6$) with no gift tax exposure. If a spouse also contributed the same amount, the resulting \$216,000 ($\$108,000 \times 2$) would be gifted tax-free.

A LEGACY OF EDUCATION

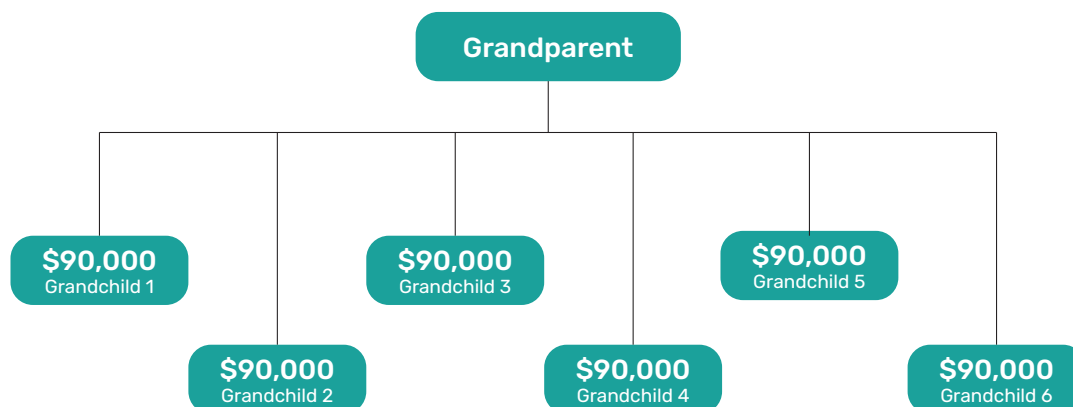
Contributing to a 529 plan can have a lasting effect on a child or grandchild and shows the value that you place on education. By helping a loved one afford higher education, you offer a lifelong legacy.

The next level: accelerated gifting

Accelerated gifting expands on the basic gifting concept. You can make **up to 5 years' worth of gifts at one time without paying gift taxes for the next 5 years**. The money is considered removed from your taxable estate.¹

- For a single contributor, that equals \$90,000 per beneficiary.
- For a couple filing jointly, the allowable amount is \$180,000 per beneficiary.

In the example below, a grandparent contributed \$90,000 to the Indiana529 Advisor accounts of 6 grandchildren. Through accelerated gifting, the grandparent's taxable estate was immediately reduced by \$540,000.¹





The benefits of accelerated gifting

- **Estate planning:** Up to \$90,000 (\$180,000 if married, filing jointly) per beneficiary can be removed from your taxable estate for 5 years.¹
- **Compounding:** Your assets can be invested for a longer time, which could potentially give them a chance to grow faster than if you'd contributed the annual amount each year.
- **Control:** As the account owner, you continue to control the assets in the 529 plan account. If you need them in an emergency, you have access to them (penalties may apply if withdrawals are not used for qualified higher education expenses).²

Indiana529 Advisor Plan Contact Information

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¹In the event the donor does not survive the 5-year period, a pro-rated amount will revert to the donor's taxable estate. For more information, consult your tax advisor or estate planning attorney.

²Earnings on nonqualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as state and local income taxes. Tax and other benefits are contingent on meeting other requirements and certain other withdrawals are subject to federal, state, and local taxes.

For more information about the Indiana529 Advisor Savings Plan (Indiana529 Advisor), call 1-866-485-9413 or visit www.Indiana529advisor.com to obtain a Disclosure Booklet, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing.

Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.

Indiana529 Advisor is administered by the Indiana Education Savings Authority (Authority). Ascensus Broker Dealer Services, LLC, the program manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services, and marketing. Indiana529 Advisor's Portfolios invest in: (i) exchange-traded funds; (ii) mutual funds; (iii) separate accounts; (iv) a cash preservation account held in trust by the Authority at New York Life; and/or (v) an FDIC-insured omnibus savings account held in trust by the Authority at NexBank. Except for the Savings Portfolio, investments in Indiana529 Advisor are not insured by the FDIC. Units of the Portfolios are municipal fund securities and the value of units will vary with market conditions.

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