



**Indiana529**

**Advisor** Savings Plan

# Indiana529 Advisor Savings Plan

Presenter Name

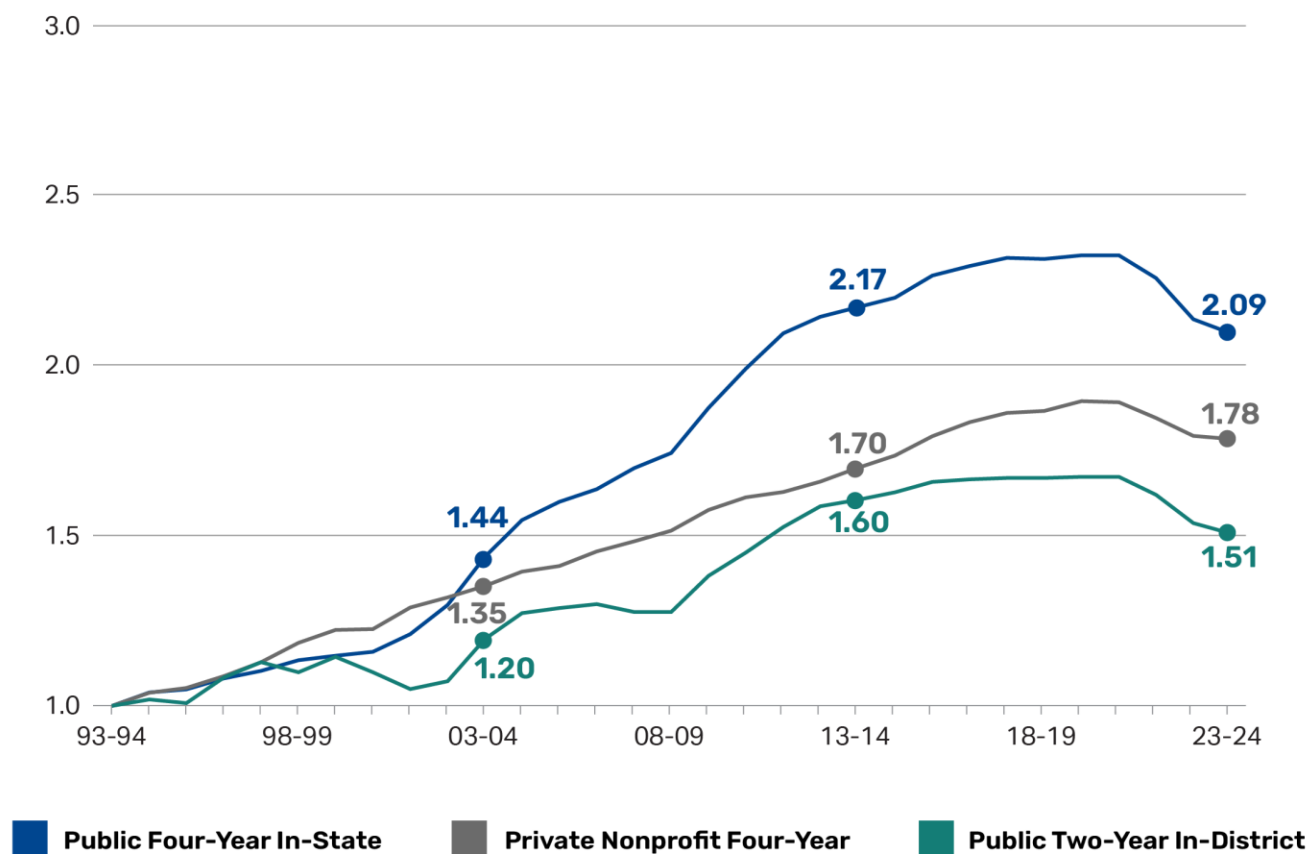
Date

# Paying for school



# Tuition and fees over time

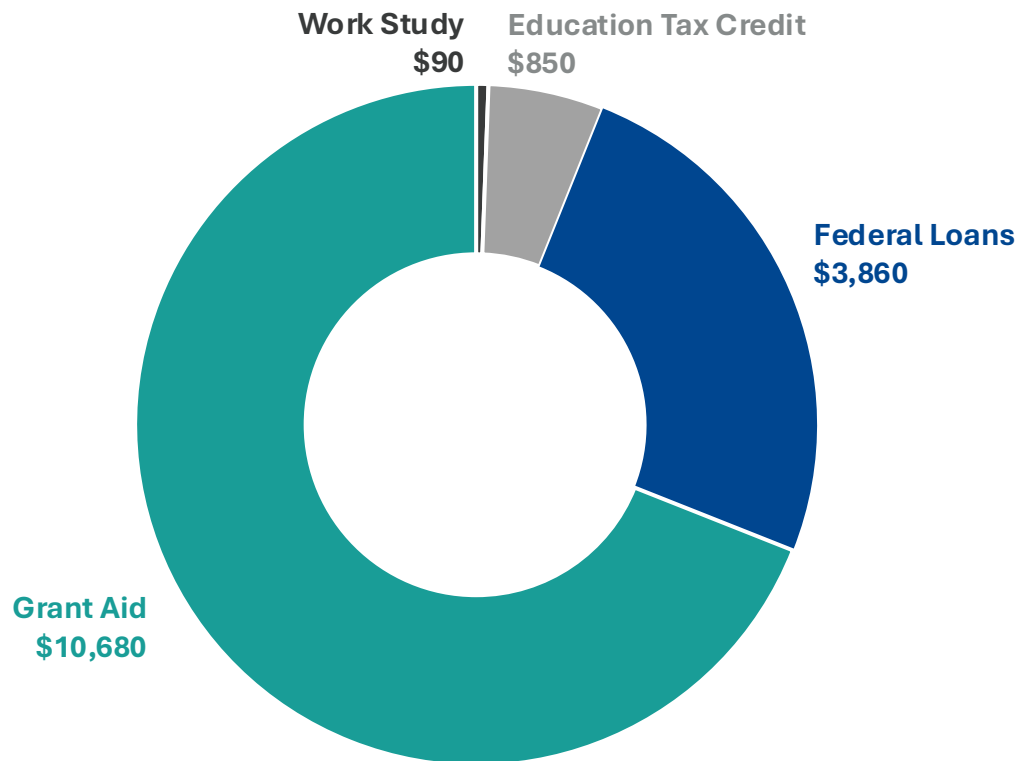
Inflation-adjusted published tuition and fees relative to 1993-1994 through 2023-2024 (1993-1994 = 1.0)



# Financial aid

Most students receive some form of financial aid via grants, scholarships, work study, or student loans.

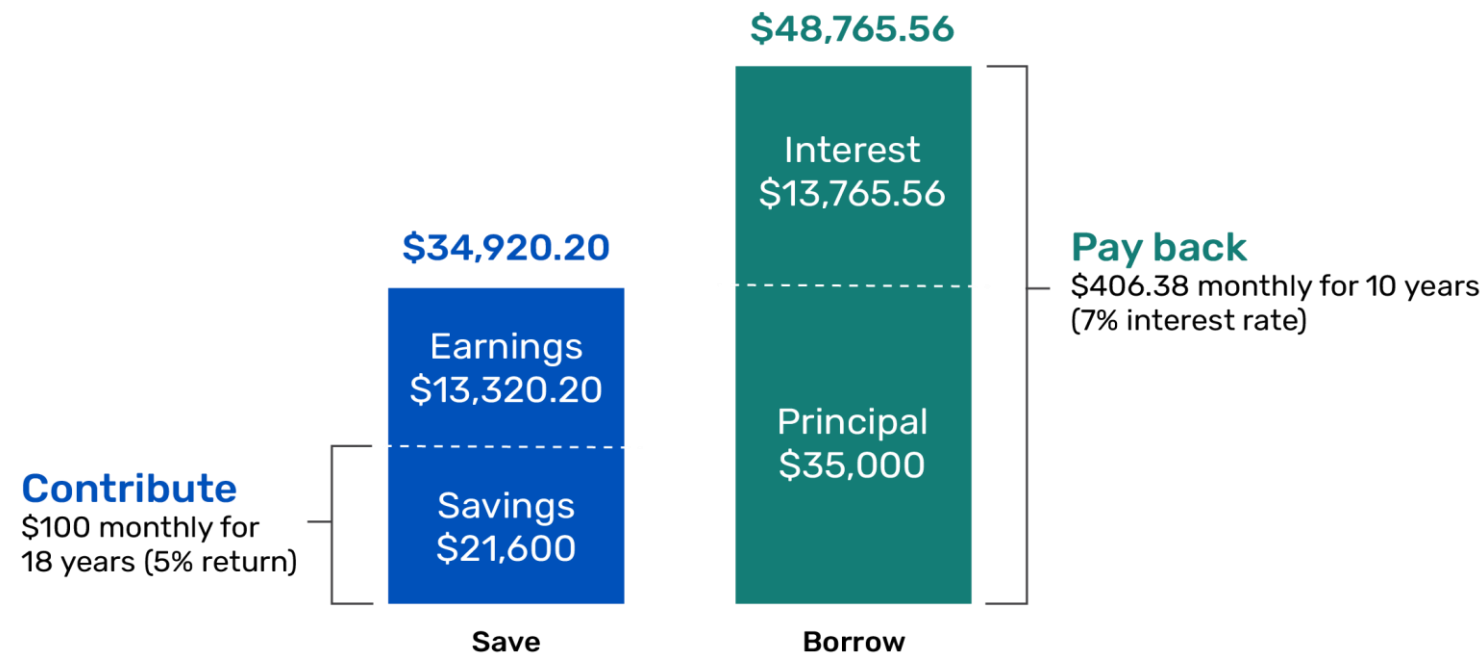
In 2022-2023, undergraduate students received an average of \$15,480 in financial aid.



In 2022-2023, **undergraduate and graduate students received \$240.7 billion in grants**, federal work study, federal loans, and federal tax credits. In addition, **students borrowed about \$14.7 billion from nonfederal sources.**

# Paying for school

Saving vs borrowing: \$35,000 for school



This hypothetical example is for illustrative purposes only and assumes no withdrawals made during the period shown. It does not represent an actual investment in any particular 529 plan and does not reflect the effect of fees and expenses or any taxes payable upon withdrawal. Your actual investment return may be higher or lower than that shown. The loan repayment terms are also hypothetical and may be higher or lower than that shown. A plan of regular investment cannot assure a profit or protect against a loss in a declining market.



# Plan features and benefits



# Plan partners

## Administered by:

Indiana Education Savings Authority



## Program manager:

Ascensus Government Savings



## Asset managers:



# Features and benefits

State income **tax credit of 20% of contributions** for Indiana taxpayers.  
Up to \$1,500 maximum credit annually (\$750 for married filing separately)<sup>1</sup>

**Multi-manager investment** platform

**Customizable allocation** designed for your specific needs and goals when working with your financial professional

Recurring contributions<sup>2</sup>

Only **\$25/month to open** an account



Additional ways to save



<sup>1</sup>This credit may be subject to recapture from the account owner (not the contributor) in certain circumstances, such as rollovers to another state's 529 plan, federal nonqualified withdrawals, withdrawals used to pay elementary or secondary school tuition for a school outside of Indiana, or qualified education loan repayments as described in the Indiana529 Advisor Disclosure Booklet.

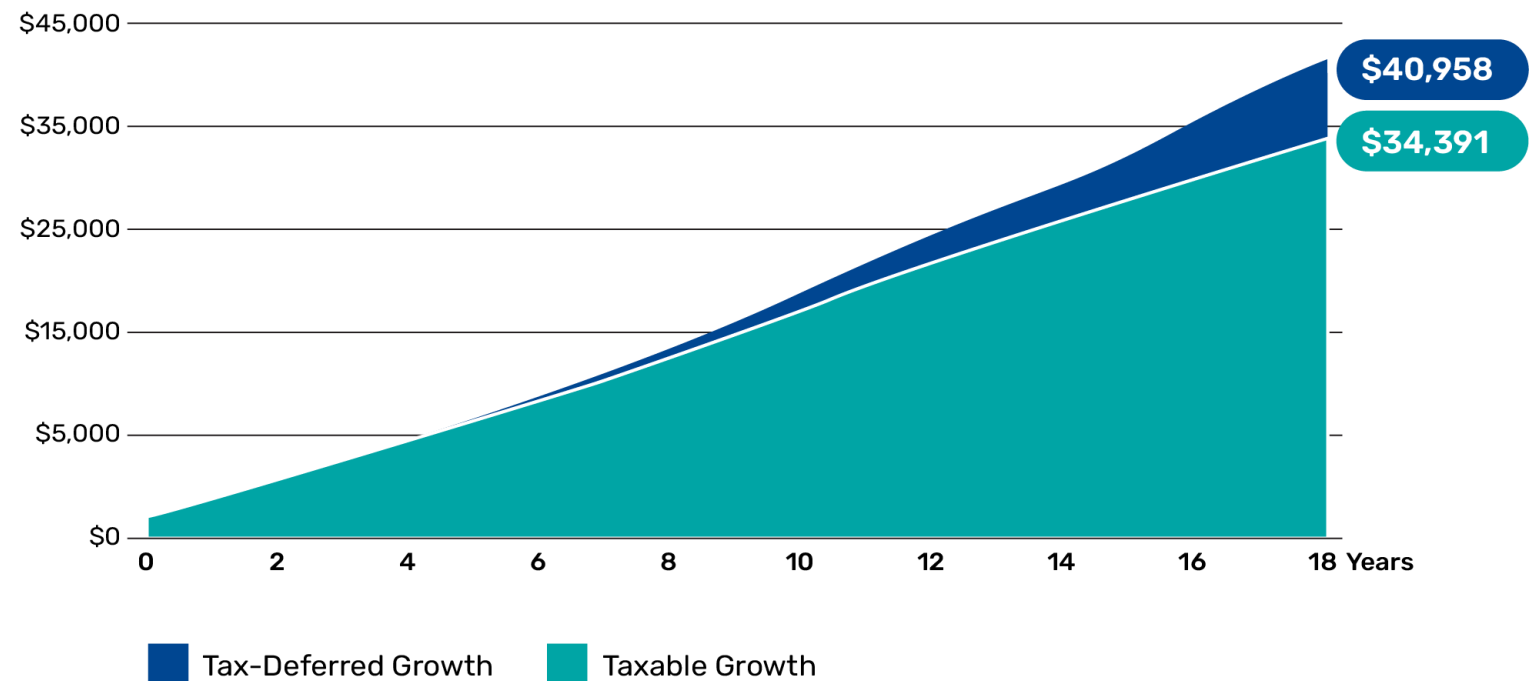
<sup>2</sup>A plan of regular investment cannot assure a profit or protect against a loss in a declining market.



# Tax-deferred growth

Tax advantages can make your dollars grow faster.

Year after year, the unique **tax advantages of 529 plans** can help **your child go further** on the path of education.



Assumptions: \$2,500 initial investment with subsequent monthly investments of \$100 for a period of 18 years; annual rate of return on investment of 5% and no funds withdrawn during the time period specified; taxpayer is in the 32% federal income tax bracket for all options at the time of contributions. This hypothetical is for illustrative purposes only. It does not reflect an actual investment in any particular 529 plan or any taxes or penalties payable/due upon distribution.

# Tax-free withdrawal for education

Federal and state income tax free if used for qualified expenses:<sup>1</sup>

## Where

- Eligible public and private colleges/universities
- Undergrad and graduate programs
- In-state/out-of-state 2- and 4-year programs
- Eligible foreign schools
- Qualified K-12 tuition
- Up to \$10k per year/student<sup>2</sup>
- Vocational/trade schools and apprenticeships<sup>3</sup>

## What

- Tuition, certain room and board
- Books, fees, and supplies
- Computers, peripherals
- Software, internet access<sup>4</sup>
- Student loan repayment
- Up to \$10k/lifetime/beneficiary<sup>2</sup>

<sup>1</sup>Earnings on nonqualified withdrawals may be subject to a federal income tax and 10% federal penalty tax, as well as state and local income taxes. Tax and other benefits are contingent on meeting other requirements and certain withdrawals are subject to federal, state, and local taxes.

<sup>2</sup>Withdrawals to pay elementary or secondary school tuition for a school outside of Indiana, or qualified loan repayments as described in the Indiana529 Advisor Disclosure Booklet, may require recapture from the account owner (not the contributor) of previously taken Indiana state tax credits for contributions to Indiana529 Advisor.

<sup>3</sup>Apprenticeship programs must be registered and certified with the U.S. Secretary of Labor.

<sup>4</sup>Computer equipment and related services must be used primarily by the beneficiary during any of the years the beneficiary is enrolled at the eligible educational institution.

# Indiana taxpayer impact

## K-12

- \$10k per year of tuition within the state of Indiana\*

## Student loan repayment

- Up to \$10k/lifetime per beneficiary, or sibling of the beneficiary
- Not a qualified expense for the purpose of the Indiana tax credit (subject to recapture)



\*Withdrawals to pay K-12 tuition for a school outside of Indiana may require recapture from the account owner (not the contributor) of previously taken Indiana state tax credits for contributions to Indiana529 Advisor.

# Plan minimums and maximums

## **\$25 minimum contribution amount**

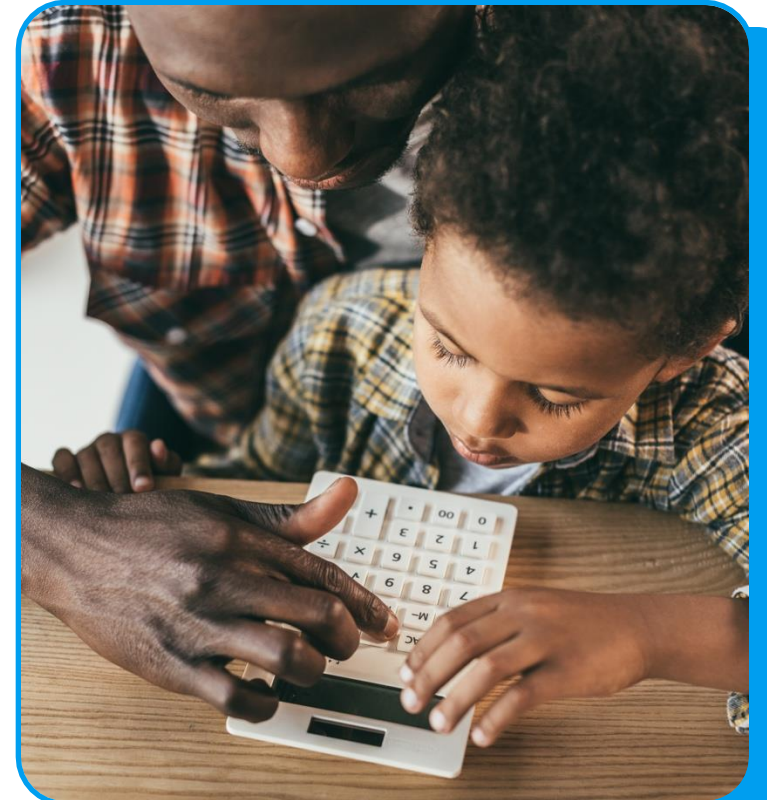
### **Minimum subsequent contribution**

- Check/ETF: \$25
- Recurring contribution: \$50 monthly or \$150 per quarter\*
- Payroll direct deposit: \$25 per pay period

### **High maximum account balance**

- \$450,000 per beneficiary
  - Across all accounts for the same beneficiary

\*A plan of regular investment cannot assure a profit or protect against a loss in a declining market.



# It's flexible—anyone can participate

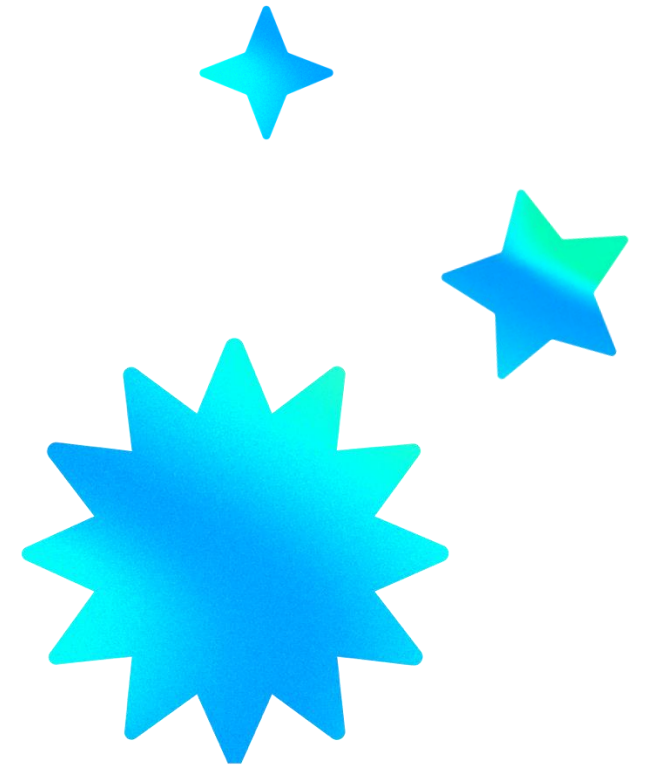
## **Account owners** (people who control the account)

- U.S. citizens or resident aliens, aged 18 years or older
- Parents, grandparents, relatives, or even friends
- No income limitations
- Multiple account owners can open accounts for the same beneficiary
- Retain control of how and when the money is used

## **Beneficiaries** (students for whose benefit the account is opened)

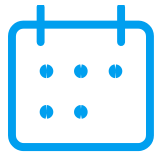
- U.S. citizens or resident aliens
- Child, self, spouse, relatives, or even friends
- No age or income limitations
- Can be changed by the account owner, but the new beneficiary must be a “member of the family” of the current beneficiary\*

\*Please see the Indiana529 Advisor Disclosure Booklet for the definition of “member of the family.”



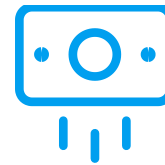


# What if my child doesn't go to school?

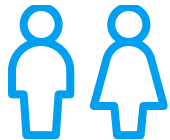


## Leave the money in the account until a later date

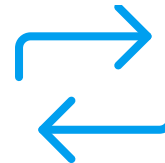
Any earnings can continue to potentially grow tax deferred.



## Make a **nonqualified withdrawal**<sup>2</sup>



## Change the beneficiary to a member of the family<sup>1</sup>



## Rollover to **Roth IRA**<sup>3</sup>

The maximum lifetime rollover limit is \$35,000.

The 529 account must have existed for at least 15 years.

<sup>1</sup>Please see the Indiana529 Advisor Disclosure Booklet for the definition of “member of the family.”

<sup>2</sup>Earnings 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 withdrawals are subject to federal state and local taxes.

<sup>3</sup>Transfers are subject to annual Roth IRA contribution limits. No contributions or earnings on contributions from the last 5 years can be transferred. Direct trustee-to-trustee transfer required to Roth IRA FBO Beneficiary.

# Investment options



# Investment options

## Year of Enrollment


Asset allocation based on the year that the beneficiary is expected to attend school

## Individual Options

Asset allocation based on the risk tolerance and investment goals of the account owner

## Capital Preservation

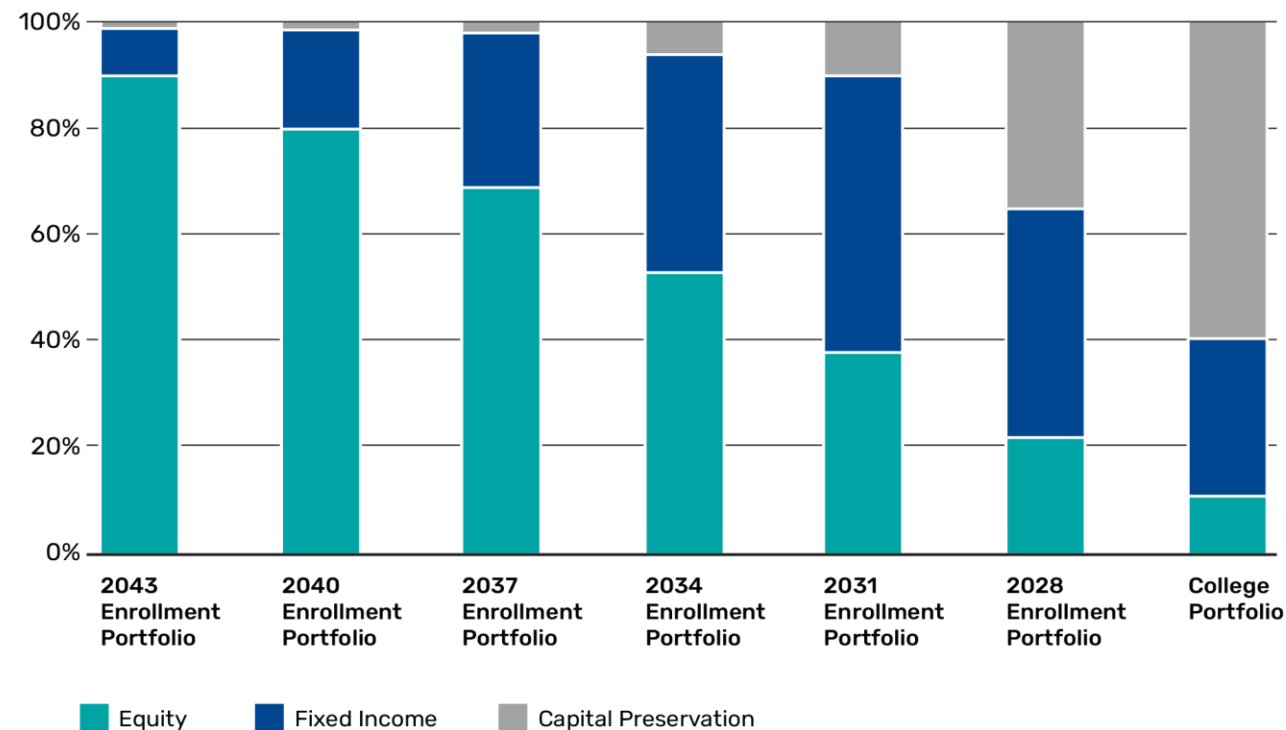
Focused on protecting principal and offers an insured income return



**Note:** Portfolios with higher allocations to bonds and short-term investments tend to be less volatile than those with higher stock allocations. Less volatile portfolios generally may not decline in value as much when markets decline, but also may not appreciate in value as much when markets go up.

# Year of Enrollment portfolios

With a Year of Enrollment portfolio, the mix of investments shift automatically based on the year the beneficiary plans to enroll.



**Note:** Portfolios with higher allocations to bonds and short-term investments tend to be less volatile than those with higher stock allocations. Less volatile portfolios generally may not decline in value as much when markets decline, but also may not appreciate in value as much when markets go up.

# No-load portfolios

## Savings Portfolio

- Seeks to provide income consistent with preservation of principal
- Invests 100% of its assets in the NexBank High-Yield Savings Account (HYSA)



## Capital Preservation Portfolio

- Seeks to provide competitive yields and limited volatility with a guarantee of principal and accumulated interest



The HYSA is held in an omnibus savings account insured by FDIC, which is held in trust by the Authority at NexBank. Contributions to and earnings on the investments in the Savings Portfolio A and Savings Portfolio C are insured by the FDIC on a pass-through basis to each Account Owner up to the maximum amount set by federal law – currently \$250,000. The amount of FDIC insurance provided to an Account Owner is based on the total of: (a) the value of an Account Owner's investment in the Savings Portfolio; and (b) the value of all other accounts held by the Account Owner at NexBank, as determined by NexBank and FDIC regulations. The Plan Officials are not responsible for determining how an Account Owner's investment in the Savings Portfolio A and Savings Portfolio C will be aggregated with other accounts held by the Account Owner at NexBank for purposes of the FDIC insurance.



**Additional  
ways to save**



# Estate planning

5 years' worth of gifts in one lump sum\*

## **\$19,000 annually for single filers**

- Or accelerated gifting up to \$95,000\* over 5 years

## **\$38,000 annually for married couples filing jointly**

- Or accelerated gifting up to \$190,000\* over 5 years



\*In the event that you pass away during the 5-year period, a pro-rated amount will revert back to your taxable estate. Account owners should always consult with their tax advisor regarding gifting.



**Family and friends can give the gift of education savings.**

**This easy-to-use online gifting program is a great idea for:**



Birthdays



Graduation



Religious  
milestones



Holidays



Any special  
occasion

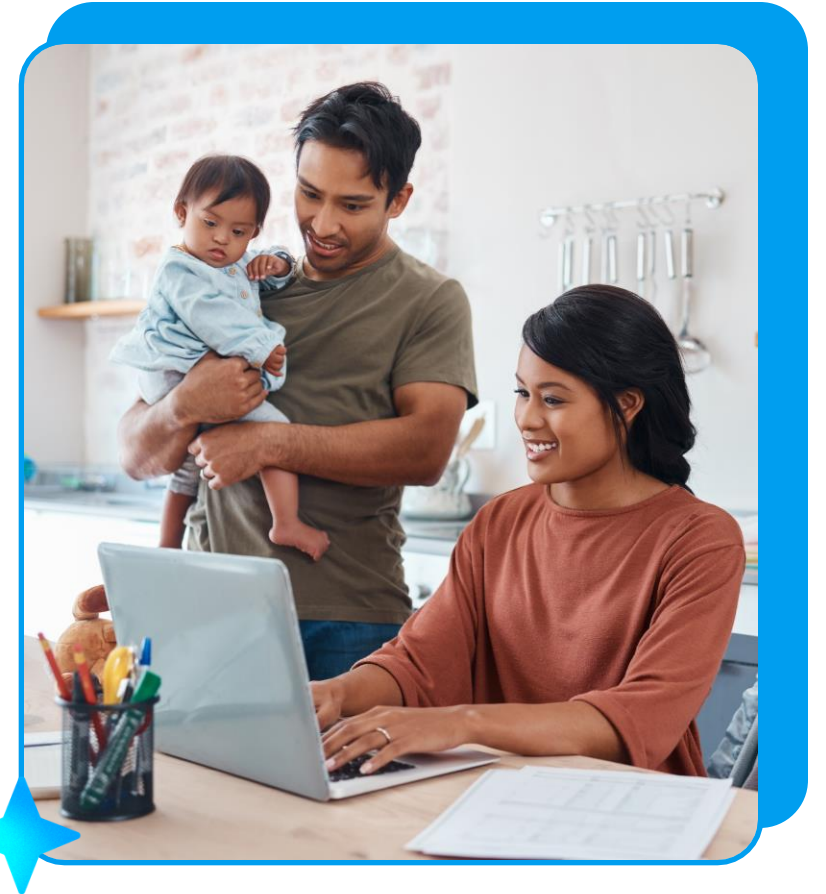


Let's review



# Program benefits

- Designed to help families save for education
- Flexible account owner and beneficiary structure
- Tax-deferred growth
- Tax-free withdrawals when used for qualified expenses<sup>1</sup>
- State tax credit<sup>2</sup>
- Attractive investment options
- Estate options
- Additional ways to save – Ugift®



<sup>1</sup>Earnings on nonqualified withdrawals are subject to federal income tax and may be subject to a 10% federal penalty tax, as well as state and local income taxes. The availability of tax and other benefits may be contingent on meeting other requirements.

<sup>2</sup>This credit may be subject to recapture from the account owner (not the contributor) in certain circumstances, such as rollovers to another state's 529 plan, federal nonqualified withdrawals, withdrawals used to pay elementary or secondary school tuition for a school outside of Indiana, or qualified education loan repayments as described in the Disclosure Booklet.



# Enrollment is easy

Talk to your financial professional today.

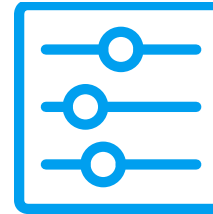
**Here's what you'll need to get started:**



Account owner  
information



Beneficiary  
information



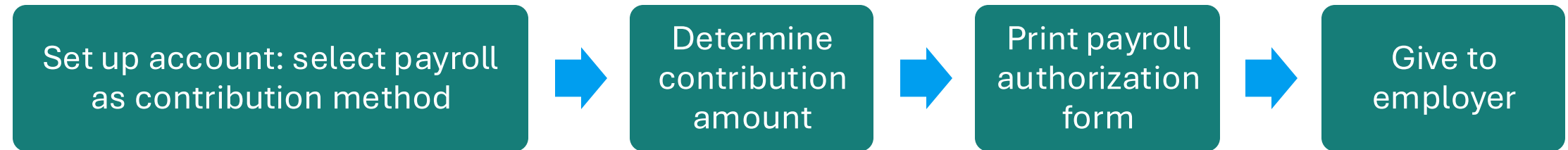
Investment choice  
selection



Contribution  
method

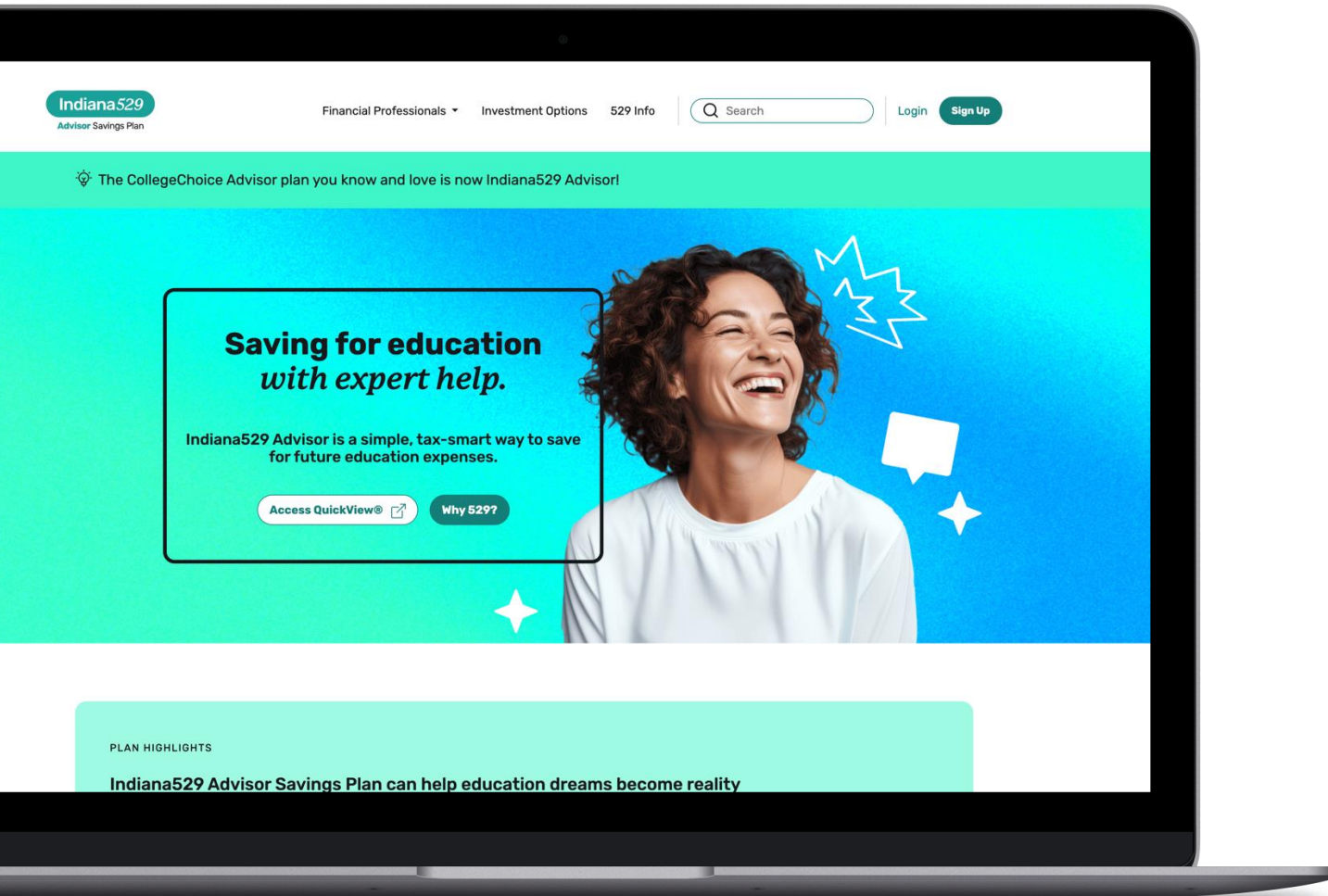
# Payroll direct deposit

Payroll direct deposit is a simple and easy way to contribute a consistent amount on a regular basis:



**Please note** that the employer must be enrolled in payroll direct deposit for an account owner to take advantage of this opportunity.

# Start saving today



To learn more about the program or request an information kit, visit [www.Indiana529advisor.com](http://www.Indiana529advisor.com).

To speak with a program representative, call **1-866-485-9419**

Monday – Friday, 8:30 a.m. – 5:00 p.m. ET.

## Indiana529

**Advisor** Savings Plan

# Important legal information

**For more information about the Indiana529 Advisor Savings Plan (Indiana529 Advisor), call 1-866-485-9413 or visit [www.Indiana529advisor.com](http://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. Ascensus Broker Dealer Services, LLC. (ABD) is distributor of Indiana529 Advisor.**

**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). ABD, the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services, and marketing. Indiana 529 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.

Investment returns are not guaranteed, and you could lose money by investing in the plan. Account owners assume all investment risks, including the potential for loss of principal, as well as responsibility for any federal and state tax consequences.

**Not FDIC-Insured (except for the Savings Portfolio). No Bank, State, or Federal Guarantee. May Lose Value.**

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# Thank you

## **Contact information**

Contact:

Organization:

Phone number:

Email:

Website:



Questions?

