



Vanguard 529 College Savings Plan

What is a 529 plan?

A 529 plan is an investment account that you can use for education savings. The plans are usually sponsored by states and offer great tax benefits. You can use the money for qualified higher-education expenses, including tuition at a college, university, trade school, or vocational school, as well as room and board, fees, books, supplies, equipment, computer hardware and software, and internet access and related services.

You can also use your 529 assets for K–12 tuition of up to \$10,000 per student per year at a public, private, or religious school.

How a 529 plan can help you reach your savings goal

Pay less in taxes

The biggest draw of 529 plans? Tax benefits. So you can use the money you save to give your account balance an even bigger boost!

Tax deductions

That's right—most states let you deduct your 529 plan contributions on your state income tax return, up to your state's limit.* That translates to a higher account balance and lower taxes for you. That's what we call a win-win!

Tax-deferred growth

Your earnings will be deferred from federal and usually state taxes—another benefit to investing in a 529 account instead of a taxable account.

Tax-free withdrawals

You won't be taxed on the money you withdraw for qualified education expenses.** In other words, in most cases you won't have to pay state or federal income taxes on earnings in your 529 account, as long as you use the money for qualified expenses.

K–12 tuition of up to \$10,000 per student per year at a public, private, or religious school can also be treated as a qualified education expense with respect to the federal tax benefit. State tax treatment of K–12 withdrawals, however, is determined by the state where the taxpayer files state income tax.

Gift tax benefits

Make up to 5 years' worth of contributions at one time without triggering gift tax.

Learn about the 529 Plan and commonly asked questions

General asked questions can be found in link below:

<https://investor.vanguard.com/529-plan/common-questions#/Sec1c>

How to set up your Vanguard 529 College Savings Plan Account

Employees would need to go to Vanguard to then elect the state that you want to contribute towards and set up a billing frequency for the account.

Click on link to enroll

<https://investor.vanguard.com/529-plan/open-account>