Estate planning with my529

Did you know that a my529 account can help with estate planning? 529 accounts have unique tools that you can use as you advise your clients on saving for college, investing and estate planning.

Saving for education for the next generation

Using the gift tax exclusion to superfund an account

Navigating client family events like divorce or death

(See reverse side for details)

Contact the relationship management team by booking a meeting, calling 888.529.1886 or emailing us at advisorinfo@my529.org.

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Estate planning with my529

Saving for education for the next generation

The benefits of a my529 account do not need to stop at graduation. Creating the habit of saving is the first and most difficult step, so encouraging your clients to maintain that savings habit after graduation to achieve their family's future educational goals. Here are a few ideas to keep those accounts working for your client.

- Use their my529 funds to pay for graduate school or other continuing higher education.
- Grow their my529 savings for the next generation as an investment in the educational future of your client's family.
- Change the beneficiary of their my529 account. If the new beneficiary belongs to the family of the current beneficiary, the account will not incur federal or Utah state income tax consequences. Please see the Program Description for details regarding who qualifies as a "member of the family."

Using the gift tax exclusion to superfund an account

Superfunding allows a lump-sum gift of five years' contribution to a beneficiary of up to $90,000 (or $180,000 if married and filing a joint tax return) without creating a taxable gift. Superfunding requires IRS Form 709, which allows the gift to be treated as a series of five equal contributions (e.g., $18,000 each, for a total of $90,000; $36,000 each, for a total of $180,000, if married and filing a joint return).

Generally, money held in an account is not considered part of the account owner's estate, even though the account owner maintains control of the money.

Navigating client family events like divorce or death

Life transitions can be emotionally difficult for your clients, so we are here to help you make it easier for them. These are some of the steps you can take to guide your clients through a major life event:

- Inform my529 of the event and we can assist you with the 529 account management process (888.529.1886 or advisorinfo@my529.org).
- Change account ownership (Form 505) and provide necessary documentation.
- Update your individual LPOA authorization (Form 710).
- Safeguard the my529 account by having a primary successor — either an individual or trust (Form 515).
- Set up an interested party.