



Q What is a 529 plan and what is my529?

A A 529 plan is a tax-advantaged vehicle designed to encourage individuals to invest for future qualified education expenses. my529 is the official 529 plan established and sponsored by the State of Utah.

Q Is there a cost to open a my529 account?

A Opening an account is free — no startup fees, and no initial or ongoing contribution requirements.

*Top 10
facts about
my529*

Q Who can own an account — and who can be the beneficiary?

A An account owner can be an individual, a corporation or even a trust. An individual account owner must be at least 18 years old and have a valid Social Security or Taxpayer Identification Number and a physical address in the United States. Anyone can be a beneficiary of an account regardless of his or her relationship to the account owner — they just need to have a valid U.S. Social Security or Taxpayer Identification Number.

Q Can I change the beneficiary?

A An account owner may change the beneficiary to a member of the beneficiary's family. "Member of the family" includes but is not limited to: siblings, first cousins, parents, children, and grandchildren.

Q What are the tax benefits?

- Earnings grow tax-deferred from federal and Utah state taxes.
- Withdrawals are tax-free when used for qualified education expenses.
- Utah taxpayers may qualify for a Utah state income tax benefit on contributions.

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Q What are my529's investment options?

A my529 offers a variety of investment options: One Target Enrollment Date option with 12 portfolios, 10 Static, and two Customized. Underlying investments include Vanguard and Dimensional mutual funds, a PIMCO stable value fund, and FDIC-insured accounts.

Q How can 529 plan funds be used?

A my529 funds may be used for a beneficiary's qualified education expenses. These expenses include

- Tuition.
- Fees.
- Required books.
- Supplies.
- Equipment.
- Computers.
- Software.
- Internet access.
- Certain room and board costs.



In addition to ongoing higher education, 529 funds can also be used for up to*

- \$10,000 of annual K-12 expenses.
- Costs associated with qualified postsecondary credentialing programs.
- Limited payments on qualified education loans.
- Costs of registered apprenticeship programs.
- Rollovers to a Roth IRA can be made under certain conditions.

* Go to my529.org for specific restrictions and details.

Q Can I make an investment option change?

A The IRS allows an account owner two investment option changes per calendar year for the same beneficiary.

Q Where can 529 plan funds be used for higher education?

A Funds may be used at any eligible educational institution, both in the United States and abroad. You can find a complete list of eligible educational institutions at the U.S. Department of Education's federal aid website, www.studentaid.gov.

Q What if I make a nonqualified withdrawal?

A The earnings portion of funds withdrawn from a my529 account that is not used for qualified education expenses will be subject to federal and state income taxes and a 10% federal tax penalty. In addition, the Utah account owner must add back the amount of a nonqualified withdrawal—to the extent it was used in calculating the tax credit or deduction—as income on his or her Utah state income tax form for the taxable year the nonqualified withdrawal was made.

Important Legal Notice

Investing is an important decision. The investments in your account may vary with market conditions and could lose value. Carefully read the Program Description in its entirety for more information and consider all investment objectives, risks, charges and expenses before investing. For a copy of the Program Description, call 800.418.2551 or visit my529.org. Investments in my529 are not insured or guaranteed by my529, the Utah Board of Higher Education, the Utah Education Savings Board of Trustees, any other state or federal agency, or any third party. However, Federal Deposit Insurance Corporation (FDIC) insurance is provided for the FDIC-Insured investment option. In addition, my529 offers investment options that are partially insured for the portion of the respective investment option that includes FDIC-insured accounts as an underlying investment. The state in which you or your beneficiary pay taxes or live may offer a 529 plan that provides state tax or other benefits, such as financial aid, scholarship funds and protection from creditors, not otherwise available to you by investing in my529. You should consider such benefits, if any, before investing in my529. my529 does not provide legal, financial, investment or tax advice. You should consult your own tax or legal advisor to determine the effect of federal and state tax laws on your particular situation.