

# Discover the Benefits of 529 Savings Plans

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Do you want to give your child the opportunity to receive a degree without student loans? 529 Savings Plans are tax-advantaged education saving vehicles and one of the most popular ways to save for college today.

If you don't have a college savings plan in place for your child or grandchild, it's time to make one.

## What are the benefits of a 529 Plan?

- **Federal Tax Advantages** – Contributions to a 529 account accumulate tax deferred and earnings are tax free when withdrawals are used for qualified education expenses
- **State Tax Advantages** – A majority of states offer state income tax deductions or credits for contributions to a 529 Plan
- **Flexibility** – Can change beneficiaries or transfer unused assets to certain other family members. Typically minimal impact on financial aid eligibility.
- **Accessible and Affordable** – No income limits on contributors. No age limit on beneficiaries or contributors. Very low investment minimums. High contribution limits.
- **Estate Planning Benefits** – Contributions and investment gains removed from taxable estate. Option to make five years of tax-free gifts in a single year.
- **Ability to Roll Over Excess Funds to Roth** (\$35,000 lifetime limit)

## Who can contribute?

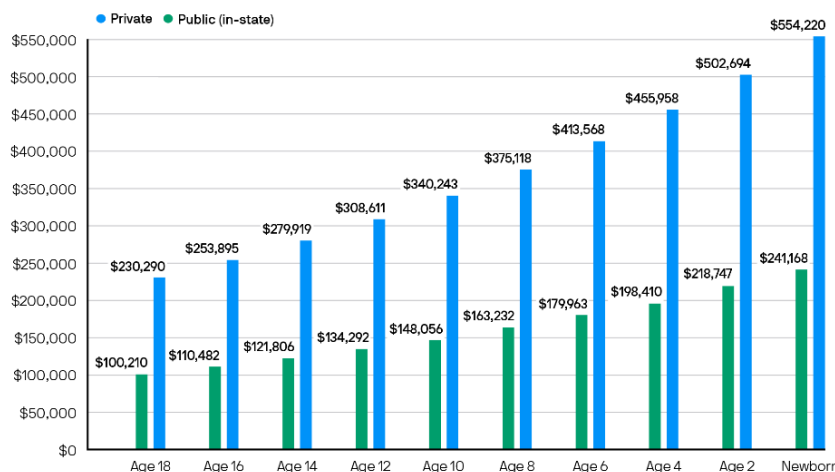
- Parents
- Grandparents
- Beneficiaries
- Extended family and friends

## Qualified education expenses include:

- Tuition and related fees – Trade and vocational schools, community colleges, International schools, study-abroad programs, K-12 school tuition
- Room and board – On and off campus
- Textbooks, computers, and supplies

The younger the child, the more college is likely to cost. Add up four years per child, and it equals one of a family's largest expenses.

**Projected cost of a four-year college education**  
based on child's current age<sup>1</sup>



**One-year costs for 2022-23<sup>1</sup>**

<b>\$23,250</b> Public	<b>\$53,430</b> Private

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**81%**  
of families have to rule out some colleges because of cost.<sup>2</sup>

1. J.P. Morgan Asset Management, using The College Board, Trends in College Pricing and Student Aid 2022. Future college costs estimated to inflate 5% per year. Average tuition, fees, and room and board for public college reflect four-year, in-state charges.  
 2. Sallie Mae, How America Pays for College, 2022.

Before buying a 529 Plan, you should find out about the particular plan you are considering. Request an offering circular or official statement, which contains pertinent details such as objectives, risks, charges, and expenses, from your Financial Advisor/Financial Consultant. Please read it carefully before investing or sending money. Many states offer favorable tax treatment or other valuable benefits to their residents in connection with investments in their own 529 College Savings plan. 529 College Savings plan offered by each state differ significantly in features and benefits. The optimal plan for you as an investor depends on your individual objectives and circumstances. In comparing plans, each investor should consider each plans investment options, fees and state tax implications, out of state 529 plans may not have the same tax benefits as those offered to in state residents such as financial aid, scholarship funds, and protection from creditors. The presentation is intended for informational purposes only. The information provided herein is general in nature and should not be construed as a recommendation or an offer or solicitation to buy or sell any securities nor does it represent legal or tax advice. Investor should seek the advice of a tax professional or lawyer before investing. Oppenheimer & Co. Inc. does not provide legal or tax advice. However, your Oppenheimer Financial Advisor/Financial Consultant will work with clients, their attorneys and their tax professionals to help ensure all of their needs are met and properly executed. This material is not a recommendation as defined in Regulation Best Interest adopted by the Securities and Exchange Commission. It is provided to you after you have received Form CRS, Regulation Best Interest disclosure and other materials. ©2023 Oppenheimer & Co. Inc. Transacts Business on All Principal Exchanges and Member SIPC. 5914012.1