

EDUCATION SAVINGS CHECKLIST FOR NEW PARENTS

START YOUR CHILD'S EDUCATION
SAVINGS JOURNEY WITH CONFIDENCE



Congratulations on your new baby. Right now, things may seem overwhelming, and you may be wondering how you will get through the day, let alone plan for your child's future. We want to help you build a strong foundation for their education journey in a quick and easy way, so you can focus on the special moments of being a new parent. By taking these proactive steps, you can make the most of your education savings today while planning effectively for the future.

- ❑ **LEARN HOW 529 PLANS WORK:** Work with your financial professional to familiarize yourself with the basics, including state and federal tax advantages and the types of 529 plans available.
- ❑ **OPEN A 529 PLAN AS SOON AS YOU ARE ABLE:** Choose the 529 plan that suits your family's needs – either age-based, target-risk or custom portfolio.
- ❑ **SET YOUR MONTHLY OR ANNUAL SAVINGS GOAL:** Start small or big – it all adds up!
- ❑ **AUTOMATE YOUR CONTRIBUTIONS:** This hands-off, “set-it and forget-it” approach automatically transfers money from your bank account or paycheck to your 529 plan, and helps you stay on track.
- ❑ **INVESTIGATE EMPLOYER MATCHING:** If your employer offers matching contributions for 529 plans, sign up to take advantage of this extra help.
- ❑ **CONSIDER YOUR 529 PLAN WHEN PLANNING FOR K-12:** If you are interested in using your 529 plan for K-12 tuition, you may use the funds earlier as part of a shorter-term savings strategy.¹
- ❑ **SET UP UGIFT® AND ENCOURAGE SAVINGS AS PART OF GIFTING:** Tell grandparents, family and friends about your child's 529 plan and how they can contribute using this convenient and free service. Every holiday and birthday can be a chance to contribute to your child's education. 529 contributions below the gift limit also qualify for the annual gift tax exclusion.
- ❑ **HIGHLIGHT TAX ADVANTAGES AND ESTATE PLANNING FOR GRANDPARENTS:** State tax deductions or credits may be available when contributing to a 529 plan, including options available for ‘superfunding’ a 529 plan. *The Benefits of 529s for grandparents* is a handy guide that can help.
- ❑ **REVIEW YOUR PLAN REGULARLY:** Review your plan annually with your financial professional. Perhaps you can contribute more to your 529 plan, or your family's needs have changed.

Congratulations on your new arrival. We're here to help you
give them an EDGE in their education savings journey.

TO LEARN MORE ABOUT SCHOLAR'S EDGE 529 PLAN, TALK TO YOUR FINANCIAL PROFESSIONAL OR VISIT **SCHOLARSEDGE529.COM.**



¹Some states have not adopted the Tax Cuts and Jobs Act updates. Withdrawing funds for K-12 tuition payments in a state that doesn't follow the Federal SECURE Act could subject you to state tax penalties or your ability to claim credits/deductions could be affected. You may also trigger a 10% penalty on non-qualified withdrawals.

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