



## COLLEGE SAVINGS PLANS NETWORK

A Network of the National Association of State Treasurers

### 529 Accounts Surpass 15 Million Ahead of College Savings Month

#### College Savings Plans Network Honors Parents & Families Who are Saving for Education this September

(Washington, DC, September 14, 2021) -College Savings Plans Network (CSPN) and the 529 community annually celebrate September as College Savings Month. Plans across the country host events and sweepstakes in their communities to spur saving.

“For families with children, September is a traditional time to send kids back to school. In today’s economy, most young people’s schooling will extend beyond high school to a 2-year, 4-year, or vocational school,” said CSPN Chair and **Illinois State Treasurer Michael Frerichs**. “While sending kids back to school this month, I encourage families to also open a 529 plan to save for their child’s future education.”

As of June 30, there are more than 15.33 million open 529 accounts nationally and over \$464.3 billion has been saved. CSPN is also proud to recognize that over 800,000 accounts have been opened in the past 12 months. This confirms that American families still value saving for education even amid a financially stressful time for many. The average amount saved in an account is \$30,287. According to [CollegeData.Com](https://collegedata.com), that is enough to cover one year of tuition for an in-state public college. Every dollar saved is one less dollar borrowed.

Below are two examples of how states are celebrating College Savings Month in their community:

Indiana - [CollegeChoice 529 Savings Plans](#)

- In addition to Governor Eric Holcomb issuing a Proclamation that September is College Savings Month in Indiana, one lucky family will win the CollegeChoice 529 \$10,000 Education Sweepstakes! The contest runs September 1-30, and you can enter at [collegechoicedirect.com/September](https://collegechoicedirect.com/September).

Nebraska - [NEST529](#)

- 2021 is Nebraska's 20th Anniversary of their 529 Program. During College Savings Month, they will be celebrating NEST 529 with "20 Days of Giveaways" to grow awareness for NEST 529 and the importance of saving for college. [NEST529.com](#) is where everyone will enter the "20 Days of Giveaways".

To review specific state plans, visit Find My State's Plan by clicking [here](#).

A 529 plan is a tax-advantaged investment plan designed to help families to save for a beneficiary's future higher education expenses. While commonly referred to as 529 plans, they are formally known as "Qualified Tuition Programs," as defined in Section 529 of the Internal Revenue Code, and are administered by state agencies and organizations.

Savings in a 529 plan grow free from federal income tax, and withdrawals remain tax-free when used for qualified expenses. Additionally, many states mirror the federal 529 plan tax advantages by offering state tax-deferred growth and tax-free withdrawals for qualified expenses.

For more information about the College Savings Plans Network, visit [collegesavings.org](#).

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#### **About College Savings Plans Network (CSPN)**

Founded in 1991, the College Savings Plans Network (CSPN) is a leading objective source of information about Section 529 college savings plans and prepaid tuition plans—popular, convenient, and tax-advantaged ways to save for college. An affiliate of the National Association of State Treasurers (NAST), CSPN brings together state officials who administer 529 savings and prepaid plans from across the country, as well as their private-sector partners, to offer convenient tools and objective, unbiased information to help families make informed decisions about saving for higher education. For more information, visit the CSPN website at [CollegeSavings.org](#) and follow CSPN on Twitter, Facebook, and Instagram.

#### **About 529 College Savings Accounts**

A 529 plan is a tax-advantaged investment plan designed to help families save for a beneficiary's (typically one's child or grandchild) future higher education expenses and in some states; K-12 and certain technical and career college programs. While commonly referred to as 529 plans, they are formally known as "Qualified Tuition Programs," as defined in Section 529 of the Internal Revenue Code, and are administered by state agencies.

Savings in a 529 plan grow free from federal income tax, and withdrawals remain tax-free when used for qualified education expenses. Additionally, many states mirror the federal 529 plan tax advantages by offering state tax-deferred growth and tax-free withdrawals for qualified education expenses. 529 plans are offered in 49 states and the District of Columbia. Check with your home state to see if it offers tax or other benefits such as financial aid, scholarship funds or protection from creditors for investing in its own 529 plan.

#### **About National Association of State Treasurers**

The National Association of State Treasurers provides advocacy and support that enables member states to pursue and administer sound financial policies and programs benefiting the citizens of the nation.

Membership is composed of all state treasurers or state finance officials with comparable responsibilities from the United States, its commonwealths, territories, and the District of Columbia as well as their staff. The private sector is represented through the Corporate Affiliate Program that was established to build professional relationships and foster cooperation between the public and private sectors. The association serves its members through educational conferences and webinars, a variety of working groups, policy advocacy, and publications that provide information about developments in public finance. For more information, visit [www.nast.org](http://www.nast.org).

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