



Louisiana's "529" College Savings Plan **Student Tuition Assistance and Revenue Trust (START) Saving Program**

A great way to save for a child's college education!

Louisiana pays its residents to save for their children's education!

The State of Louisiana is proud of its college savings plan, which is a "Qualified Tuition Plan" under Section 529 of the Internal Revenue Code. The Student Tuition Assistance and Revenue Trust Program, commonly referred to as the "START Saving Program," is an innovative college savings plan designed to help families contend with the growing costs of educating their children after high school. The program is administered by the Louisiana Office of Student Financial Assistance, under the direction of the Louisiana Tuition Trust Authority, or LATTa. The LATTa is a public body composed of representatives from all of the state's education governing boards, and includes the State Treasurer and one member from each house of the Louisiana Legislature.

A savings account for college, called an Education Savings Account (ESA), may be opened on behalf of a named Beneficiary by anyone, including legal entities, provided that the Account Owner OR the Beneficiary is a resident of Louisiana. Account Owners may save at their own pace, in amounts they can afford, and still have their money professionally managed. **In addition, as an incentive to save, the State of Louisiana will annually match a percentage of the deposits made to an account during the calendar year, depending upon the category into which the account has been classified and the federal adjusted gross income reported by the Account Owner for the previous year.** This match is called an Earnings Enhancement.

There are many advantages to investing your money in the START Saving Program. Some of them include:

- Ten investment funds are offered to meet the unique circumstances of each Account Owner. These options range from very conservative to very aggressive.
- An Account Owner may select one or more investment funds, including the Louisiana Principal Protection Fund (conservative investments in fixed earnings), various equity mutual funds, and age based track funds.
- A deposit in the Louisiana Principal Protection Fund is guaranteed by the State of Louisiana.
- The State will match up to 14% of deposits each year with Earnings Enhancements.
- Deposits made to an account may be excluded from taxable income reported on the Account Owner's Louisiana tax return, up to \$2,400.00 per year per Beneficiary for single Account Owners and up to \$4,800 per year per Beneficiary for Account Owners filing a joint return. Any unused exclusion may be carried forward to subsequent tax years.
- The Current Value of an account may be used to pay the Qualified Higher Education Expenses of the Beneficiary at any accredited college or university (in or out-of-state), and state-approved proprietary schools in Louisiana.
- No fees are charged to participants in the START Saving Program. The START Saving Program is charged management fees on monies that it invests in mutual funds offered by The Vanguard Group.
- As a Qualified Tuition Program, the START Saving Program is exempt from federal taxes, which means the program does not pay taxes that could reduce your return on investments.
- Deposits can be made through automatic bank debit, payroll deduction, or direct payment (including lump sums). There is no limitation on the frequency of deposits and the minimum deposit amount is only \$10.
- Earnings on deposits are exempt from state and federal taxes when used to pay Qualified Higher Education Expenses, which include tuition, fees, room, board, books, supplies and equipment required for enrollment by the college.

START Saving today and assure your child's future!

You may use this Web site to open an account in the START Saving Program. A comprehensive explanation of the program is provided in the START Disclosure Booklet, which includes the terms and conditions of the program. The potential risks of investing in the START Saving Program are also disclosed in the START Disclosure Booklet. For additional information, please call 1-800-259-5626 extension 1012, or e-mail us at custserv@osfa.la.gov.