



# STARTing Line

3rd Quarter 2013

Volume 6-3

## START Maximum Allowable Account Balance

Effective August 1, 2013, the START Saving plan's Maximum Allowable Account Balance (MAAB) per beneficiary is \$303,260.

That amount is per beneficiary. The total balance in all START accounts for the beneficiary cannot exceed \$303,260. Once the total for all START accounts reach this amount, START must return future deposits until the MAAB increases or the balance(s) decrease.

## September is College Savings Month

The College Savings Plans Network has been joined by more than 40 states in declaring September "College Savings Month".

Section 529 plans make it easy and affordable for the average family to plan ahead for the cost of college attendance and are available in 49 states and the District of Columbia. Across the nation, many activities are held during September to recognize the importance of saving for college.

Louisiana's 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. START offers many benefits including:

- **Earnings Enhancements:** the state actually matches a percentage of dollars saved, based on adjusted gross income
- **Tax Advantages:** earnings grow tax deferred and, when used to pay qualified higher education expenses, are not taxed by the state or federal government
- **Up to \$2,400 in deposits per beneficiary per year can be deducted from taxable income reported to the state (\$4,800 if the account owner is married and files a joint return). Account owners who deposit less than the maximum deductible amount in any one year**



**may carry over the unused portion of the exemption to future years.**

- A variety of investment options are also available from very conservative to very aggressive.

"Louisiana parents or guardians interested in sending their children to college should begin saving now, if only a few dollars a month," said LOSFA Interim Executive Director Sujuan Boutte. "Many parents don't realize it, but if they start saving for college early enough, setting aside \$25 each month can completely cover the cost of an education at a public, four year university in Louisiana."

**For more information on the START Saving Program, visit [www.startsaving.la.gov](http://www.startsaving.la.gov) or contact LOSFA via email at [custserv@la.gov](mailto:custserv@la.gov) or at 1-800-259-5626.**

## Make Deposits to Your START Account Online

Account owners can log into their START account and select the account(s) into which they want to make a deposit. Account owners should select the online deposit option from the menu and indicate the amount they wish to deposit.

One deposit can be distributed among a maximum of five accounts. If an account owner has more than five accounts, he or she will have to log back into his or her START account and select the additional accounts in a second transaction.

When online payment is selected, the account owner will be transferred to PayPoint, a secure Web site operated by First Data Corporation. This organization was contracted by the state to support online payments.

On the PayPoint site, the account owner will see the LOSFA logo, the START title, a listing of a maximum of 5 accounts with the amount selected for deposit, and two payment options. The account owner can select to pay by electronic check or by credit card. The credit cards accepted include Mastercard and Discover. Visa will not be accepted at this time due to company restrictions on charging convenience fees that make recoupment of the transaction costs difficult to achieve.

The account owner will enter his or her financial data on the PayPoint secure Web site to complete the deposit transaction. LOSFA will not receive any credit card or checking account financial information from First Data.

A convenience fee will be charged to use the online payment process to cover the transaction costs and thus keep the START Savings Program free of administrative fees. The fee will be in addition to the amount of the deposit(s). The fee will be displayed prior to the account holder's final authorization of the payment.

## Account Owners Survey

The College Savings Plans Network—the national non-profit association and the leading, objective source of information about Section 529 College Savings Plans and Prepaid Tuition Plans—is collecting information from 529 investors in each state to learn more about the habits of people who are saving for college. This will help us better understand investors' patterns. No individual's specific data will be shared- we are only looking for overall numbers and trends. If you are a START Account owner, please take a moment to fill out this brief survey here at <http://www.surveymonkey.com/s/CSPNSurvey2013>.



## Update Your Account Information

In order to receive important information about your START Account, it is important to make sure that your account information is accurate. Log in to your account today to verify your information. If you need to make any changes, do so online, or by submitting a Records Update form, which can be found at <http://www.startsaving.la.gov/savings/pdf/records.pdf>



*Earl E. Start was on hand to teach new and expecting parents about the START Saving program at Woman's Hospital's Baby Grand event in Baton Rouge on May 4.*



## LOSFA's Social Media



<http://www.facebook.com/LOSFA>



<http://www.twitter.com/LOSFA>



<http://www.youtube.com/LOSFA1000>



[www.Flickr.com/LOSFA](http://www.Flickr.com/LOSFA)

**LOSFA**



**START**  
SAVING FOR COLLEGE

For more information, contact the  
START Saving Program:

By Phone: 800-259-5626

By E-mail: [start@startsaving.la.gov](mailto:start@startsaving.la.gov)

By Mail: P.O. Box 91271, Baton Rouge, LA 70821-9271

Web Address: [www.startsaving.la.gov](http://www.startsaving.la.gov)

For submissions, opinions or comments for STARTing Line,  
please contact Gus Wales at [Gus.Wales@la.gov](mailto:Gus.Wales@la.gov).