

Learn how to save for your child's college tuition and expenses through the Louisiana START Saving Plan.

WHAT IS A 529 PLAN?

It is an education savings plan operated by a state designed to help families set aside funds for future college costs. It is named after Section 529 of the Internal Revenue Code. Louisiana's 529 Plan is referred to as the START Saving Plan.

\$ 174,000

The estimated cost a parent will pay for their child's undergraduate degree and college expenses at a Louisiana public university by the year 2029.

\$ 464,000

The estimated cost a parent will pay for their child's undergraduate degree at a private, out-of-state university by the year 2029.

HOW MUCH WILL IT COST WHEN MY CHILD REACHES COLLEGE AGE?

www.startsaving.la.gov/savings/calculator.jsp

College costs increase at about twice the inflation rate.

Current increases have averaged 5% to 8%.

This Cost Projector estimates how much college will cost depending on when your child attends.



BENEFITS OF THE START SAVINGS PLAN

- **\$10 minimum** to begin contributing
- Earnings are **tax deferred** until withdrawn
- If funds are used to pay for Quality Higher Education Expenses, earnings are **tax exempt** from state and federal taxes.
- **Deposits to START accounts are deductible** from reported Louisiana income, up to \$2,400 per year (per beneficiary), and \$4,800 for couples who file taxes jointly (may contribute more if you choose)
- **Any person is eligible** to open a START account
- A START account may be opened for **any person of any age**
- The **beneficiary may be changed** at any time (new beneficiary must be a member of the owner's family)
- **Transfer the funds** to a different state's 529 plan if you move
- Monies withdrawn up to the value of scholarships **will not be subject to the 10% additional tax** (you are not penalized if your child earns a scholarship)

Check the [START Saving Plan website](#) for more details about the benefits.

WHAT'S COVERED?

Qualified expenses are higher education-related purchases that fall under tax-free treatment. This includes:

TUITION



TEXTBOOKS



ROOM & BOARD



FEES



Assuming an annual average return of 6%, you can see the value of your investment when your child is ready for college in 18 years.

LET'S COMPARE NUMBERS

\$100 MONTHLY CONTRIBUTION



\$250 MONTHLY CONTRIBUTION



\$500 MONTHLY CONTRIBUTION



START SAVING ACCOUNTS ENROLLMENT, INFO, RESOURCES, & FAQs

www.startsaving.la.gov

MINT is designed to educate members on the basics of LASERS and guide them in the direction to securing a financial future.

LASERS does not offer financial, legal, or tax advice.