



Delaware - DE529 Education Savings Plan

Data as of: 04/25/24

The DE529 Education Savings Plan, a Fidelity-managed 529 plan follows the same approach as other Fidelity plans in Arizona, Connecticut, Massachusetts and New Hampshire. It features three age-based options; one using Fidelity Series actively managed funds; one using Fidelity Series index funds; and a third using a combination of the two. The plan also offers 10 static options, one option that invests in an interest-bearing deposit account, and a stable value option that invests in a separately managed account that may invest in individual securities or Fidelity mutual funds and investment contracts issued by third-party insurance companies or banks.

5-Cap Rating

Resident:  Savingforcollege.com's 5-Cap Ratings provides an evaluation and comparison of 529 plans, utilizing a formula that examines dozens of factors grouped into the following categories. (Scale 0 to 5; 5 is highest)

Non-Resident: 

Performance	Costs	Features	Reliability	Resident Upgrade
3.15	4.11	4.10	4.05	0.30

Investment Options

Age-based/Enrollment Year investment options:

Choose between 3 age-based options, one invested in Fidelity Series actively managed funds, another invested in Fidelity Series index funds, and a Fidelity Blend option with a combination. Contributions are placed into the portfolio corresponding to the beneficiary's age. The portfolios automatically shift to a more conservative investment allocation over time.

Static investment options:

Select from 6 multi-fund portfolios, 4 individual-fund portfolios, the Bank Deposit Portfolio and a Stable Value Portfolio.

Underlying investments:

Fidelity Investments. For the Bank Deposit Portfolio only, a deposit in an FDIC-insured interest-bearing account (Wells Fargo).

Taxes and other Benefits

Program match on contributions:

None., The First Steps Program provides for a one-time \$100.00 contribution to a DE529 Plan account registered in the name of an individual as participant and opened between July 1, 2022 and December 31, 2022 for an eligible beneficiary. The First Steps Program has the following eligibility requirements: (i) the beneficiary of the applicable DE529 account must be five years of age or younger at the time of account opening, (ii) the beneficiary of the applicable DE529 account must be a Delaware resident at the time the applicable DE529 account is opened, and (iii) a minimum contribution of at least \$100.00 must be made to the DE529 account by the participant at the time of account opening. The First Steps Program shall remain in effect July 1, 2022 through December 31, 2022 and may be extended or discontinued at any time without notice. Contributions during this period will be deposited into eligible DE529 accounts in or around January 2023.

State tax deduction or credit for contributions:

Effective 1/1/23, contributions to a DE529 Education Savings Plan of up to \$1,000 per year for those filing a single return and \$2,000 per year for those filing a joint return are deductible in computing Delaware taxable income. The deduction will not apply to individuals with a federal adjusted gross income greater than \$100,000 (or \$200,000 for joint returns). Deductions for couples with an AGI below \$200,000 are capped at \$2,000. The deduction does not apply to tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school.

State definition of qualified expenses

The state's definition of qualified education expenses currently includes expenses for attendance at an institution of higher education or an apprenticeship program, as defined by the Internal Revenue Code and its regulations addressing qualified state tuition programs. This does not include tuition for elementary or secondary education, or education loan payments. Distributions from a 529 account directly to a Roth IRA are not considered a qualified expense for state income tax purposes.

State tax treatment of qualified distributions:

Qualified distributions from Delaware and non-Delaware 529 plans are exempt.

State tax treatment of rollovers:

Delaware follows federal tax-free treatment.

Does the sponsoring state exclude the value of an account for state financial aid purposes?

No

Does participation in the program provide beneficiaries with any advantages in qualifying for resident tuition status at state institutions?

No

Is there a rewards program or outside scholarship program that works with this program?

Yes, Fidelity Rewards Visa Signature Card rebates 2% of purchases.

The Upromise Rewards program can be linked to any 529 college savings plan. Upromise Rewards is free to join and offers members cash back for college.

Plan Portfolios

General

Program type:

Savings

How to enroll:

Enroll directly with the program.

Initial year of operation:

1998

State agency(ies):

Delaware Office of the State Treasurer

Program manager:

Fidelity Investments

Program distributor:

Fidelity Brokerage Services, LLC

Contributions

Maximum contributions:

Accepts contributions until all account balances in Delaware's 529 plan for the same beneficiary reach \$350,000.

Minimum contributions:

There is no minimum to open an account. With the automatic investment plan, the minimum contribution level is \$15 per month or \$45 per quarter.

Does the program offer an e-gifting platform for receiving gift contributions?

This plan offers an online tool to share a gift contribution link with family and friends.

Fees & Expenses

Enrollment or application fee:

None.

Account maintenance fee:

None.

Program management fees:

0.09% for the Fidelity index fund options (includes 0.01% state fee); 0.17% for the Fidelity fund options (includes 0.05% state fee); 0.12% for the Fidelity Blend options (includes 0.04% state fee). For the Bank Deposit Portfolio, there is a 0.10% Program Management Fee (includes 0.04% state fee) and is based on the Federal Funds Target Rate.

Expenses of the underlying investments:

Ranges from 0.02% to 0.05% annualized in the Fidelity index fund portfolios, from 0.30% to 0.78% annualized in the Fidelity funds portfolios, 0.28% to 0.48% in the Fidelity Blend portfolios, and 0.45% in the Stable Value Portfolio. For the Bank Deposit Portfolio, there is no underlying fund expense. There is, however, a Bank Administration Fee, which ranges from 0.00%-0.40% and is based on the Federal Funds Target Rate.

Total asset-based expense ratio:

0.11% - 0.95%

Contact

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There is no investment data available for this plan. Please visit <https://www.fidelity.com/529-plans/delaware> for additional information.