



Rhode Island - CollegeBound 529 (Advisor-sold)

Data as of: 03/19/24

Rhode Island's CollegeBound 529 savings program is managed by Ascensus College Savings with Invesco Advisors, Inc. as investment manager. The plan is sold through brokers (unit classes A and C) and registered investment advisors (unit class I). Rhode Island residents purchasing through advisors can use lower-cost classes RA and RZ. The program features a menu of age-based and static portfolio options utilizing Invesco funds. Accounts can be linked to the Upromise rewards service.

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
2.96	4.23	5.00	4.18	0.40

Investment Options

Age-based/Enrollment Year investment options:

The Age-Based Portfolios option contains 10 age bands corresponding to expected dated of college enrollment. The asset mix (or allocation) of the Age-Based Portfolios shifts to a more conservative investment allocation over time.

Static investment options:

Select among four Target-Risk Portfolios (Aggressive Growth, Growth, Moderate and Conservative), and 20 individual-fund portfolios.

Underlying investments:

Invesco mutual funds and ETFs.

Taxes and other Benefits

Program match on contributions:

Children born to or adopted by Rhode Island families are eligible for a \$100 "CollegeBoundbaby" grant to be used for Qualified Expenses if the request is received by the Treasurer within one (1) year of their birth or adoption.

State tax deduction or credit for contributions:

Contributions to the Rhode Island 529 plan of up to \$500 per year by an individual, and up to \$1,000 per year by married taxpayers filing jointly are deductible in computing Rhode Island taxable income, with an unlimited carry forward of excess contributions. Rollovers from another 529 plan are not deductible. Contribution deadline is December 31.

State tax recapture provisions:

The principal portion of rollovers and nonqualified withdrawals from this plan within two taxable years of the contribution are included in Rhode Island taxable income to the extent of prior Rhode Island tax deductions.

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 Rhode Island and non-Rhode Island 529 plans are exempt.

State tax treatment of rollovers:

Rhode Island follows federal tax-free treatment except that, in the two taxable years following the year of deduction, outbound rollovers are subject to the recapture of prior state tax deductions.

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

Yes

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, 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

There is no investment data available for this plan. Please visit https://www.invesco.com/college-bound-529-plan/?ivz_campaign=collegebound-529&ivz_source=vanityurl&ivz_content=collegebound-529-com for additional information.

General

Program type:

Savings

How to enroll:

Enroll through a financial advisor or registered investment advisor.

Initial year of operation:

1998, substantially changed in 2016.

State agency(ies):

General Treasurer of Rhode Island

Program manager:

Ascensus College Savings

Program distributor:

Invesco Distributors

Contributions

Maximum contributions:

Accepts contributions until all account balances in Rhode Island's 529 plan for the same beneficiary reach \$520,000.

Minimum contributions:

None

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

This plan offers a robust gifting platform that allows gift-givers to save their own profile for recurring or future contributions.

Fees & Expenses

Enrollment or application fee:

None, but contributions may be subject to a sales charge depending on share class.

Account maintenance fee:

\$20 annually for accounts with less than \$25,000, waived for Rhode Island residents, and for accounts in the automatic contribution plan.

Program management fees:

0.14% (includes 0.02% state administrative fee), plus distribution/servicing fee of 0.25% (Class A), 1.00% (Class and C), or 0.00% (Class I). None for Class RA or RZ.

Expenses of the underlying investments:

Ranges from 0.19% to 0.41% in the age-based and target-risk portfolios (portfolio weighted average), and from 0.19% to 0.85% in the individual-fund portfolios.

Total asset-based expense ratio:

Class A: 0.60% - 1.26%
Class C: 1.35% - 2.01%
Class RA (RI-resident): 0.44% - 1.10%
Class RZ (RI-resident): 0.19% - 0.85%
Class I: 0.35% - 1.01%

Contact

Website:

https://www.invesco.com/college-bound-529-plan/?ivz_campaign=collegebound-529&ivz_source=vanityurl&ivz_content=collegebound-529-com

Telephone:

1-877-615-4116