

Georgia - Path2College 529 Plan

Data as of: 03/29/24

The Georgia Path2College 529 Plan, a TIAA-managed 529 savings program, features a year of enrollment track with 10 portfolios and six static investment options including a Principal Plus Interest Portfolio with a minimum effective annual interest rate between 1% and 3%.

5-Cap Rating

Resident:



Non-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)

Performance	Costs	Features	Reliability	Resident Upgrade
4.03	4.89	3.85	4.32	0.40

Investment Options

Age-based/Enrollment Year investment options:

Choose among 10 Enrollment Year Investment Portfolios. Contributions are placed into the portfolio corresponding to the number of years to expected enrollment based on the age of the beneficiary or as selected by the account owner. Nine portfolios shift to a more conservative or less aggressive investment allocation as the beneficiary approaches college age, eventually transferring to the In School Enrollment portfolio.

Static investment options:

Select among 4 multi-fund portfolios (Balanced Allocation, 100% Fixed Income, Conservative Allocation, and High Equity Allocation), one individual fund (U.S. Equity Index) and the Principal Plus Interest Portfolio.

Underlying investments:

TIAA-CREF, DFA and Vanguard mutual funds; the Principal Plus Interest Portfolio is invested in a funding agreement with TIAA-CREF Life Insurance Company that guarantees principal and a minimum 1% - 3% annual rate of interest (actual rate, which may be greater, is declared in advance for a period of 12 months).

Taxes and other Benefits

Program match on contributions:

None.

State tax deduction or credit for contributions:

Contributions to the Georgia 529 plan of up to \$4,000 per beneficiary per year for those filing a single return and \$8,000 per year per beneficiary for those filing a joint return are deductible in computing Georgia taxable income. Incoming rollovers from other 529 plans do not qualify as contributions eligible for the state income tax deduction. Contribution deadline is April 15 of the following year.

State tax recapture provisions:

The principal portion of rollovers and nonqualified withdrawals from this plan are included in Georgia taxable income to the extent of prior Georgia tax deductions. Recapture also applies when previously-deducted contributions are withdrawn for expenses deducted under federal section 222.

State definition of qualified expenses

The state conforms with the federal definition of qualified education expenses, which includes expenses for higher education, apprenticeship programs, interest and/or principal on qualified education loans up to a \$10,000 lifetime cap, and up to \$10,000 per year in tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school. Distributions from a 529 account directly to a Roth IRA are considered a qualified expense for state income tax purposes.

Does the state consider a transfer from a 529 account directly to a Roth IRA as a qualified expense?

Yes

State tax treatment of qualified distributions:

Qualified distributions from Georgia and non-Georgia 529 plans are exempt. Note: if a withdrawal from the Georgia 529 plan is non-qualified, the earnings must be reported on the account owner's, not the beneficiary's, Georgia income tax return.

State tax treatment of rollovers:

Georgia follows federal tax-free treatment except that 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?

No

Plan Portfolios

There is no investment data available for this plan. Please visit <http://www.path2college529.com> for additional information.

General

Program type:

Savings

How to enroll:

Enroll directly with the program.

Initial year of operation:

2002

State agency(ies):

Georgia Higher Education Savings Plan Board

Program manager:

TIAA-CREF Tuition Financing, Inc.

Program distributor:

TIAA-CREF Individual & Institutional Services, LLC

Contributions

Maximum contributions:

Accepts contributions until all account balances in Georgia's 529 plan for the same beneficiary reach \$235,000.

Minimum contributions:

\$25 (any dollar amount is accepted for contributions made via payroll direct deposit).

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

Yes

Fees & Expenses

Enrollment or application fee:

None.

Account maintenance fee:

None.

Program management fees:

0.03% manager fee. None for the Principal Plus Interest Portfolio.

Expenses of the underlying investments:

0.02% to 0.08%; none for the Principal Plus Interest Option.

Total asset-based expense ratio:

0.06% - 0.12%. None for the Principal Plus Interest Option.

Contact

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