



Texas - Lonestar 529 Plan

Data as of: 10/15/19

The program management of Texas' Lonestar 529 Plan was assumed by NorthStar Financial Services Group, LLC in September 2014. The plan offers an age-based option, two multi-fund portfolios, and 10 individual fund portfolios.

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
2.02	2.22	3.68	3.61	0.10

Investment Options

Age-based investment options:

The Age-Based Portfolios option consists of 6 portfolios of underlying funds. Contributions are placed into the portfolio that corresponds to the age of the beneficiary. The portfolios automatically shift to a more conservative investment allocation over time.

Static investment options:

Select among 2 multi-fund portfolios (the 100% Equity portfolio and the Balanced portfolio) and 10 individual-fund portfolios.

Underlying investments:

Mutual funds managed by Artisan, DFA, Dodge & Cox, Dreyfus, Invesco, T. Rowe Price, Templeton, Thornburg, TIAA-CREF, and William Blair.

Taxes and other Benefits

Program match on contributions:

None.

State tax deduction or credit for contributions:

Not applicable. Texas does not have a personal income tax.

State definition of qualified expenses

The state conforms with the federal definition of qualified education expenses, which includes expenses for higher education, as well as up to \$10,000 per year in tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school.

State tax treatment of qualified distributions:

Not applicable. Texas does not have a personal income tax.

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

Does the program have a formal agreement with a rewards program or outside scholarship 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.

General

Program type:

Savings

How to enroll:

Enroll through a financial advisor.

Initial year of operation:

2002, but substantially changed in November 2007. NorthStar replaced Oppenheimer as program manager in September 2014.

State agency(ies):

Texas Prepaid Higher Education Tuition Board

Program manager:

NorthStar Financial Services Group, LLC

Program distributor:

Northern Lights Distributors, LLC.

Contributions

Maximum contributions:

Accepts contributions until all account balances in Texas' 529 plans for the same beneficiary reach \$370,000.

Minimum contributions:

\$25 per portfolio, or \$15 per portfolio with the automatic contribution plan.

Fees & Expenses

Enrollment or application fee:

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

Account maintenance fee:

None.

Program management fees:

0.5350% management fee (including 0.0843% state fee) for all portfolios. Additional distribution/servicing fees of 0.25% (Class A) or 1.00% (Classes B and Advisor class). The U.S. Government Money Market Portfolio has no distribution/servicing fees.

Expenses of the underlying investments:

Ranges from 0.1553% to 0.5933% in the age-based and static multi-fund portfolios, and 0.04% to 0.86% in the individual-fund portfolios.

Total asset-based expense ratio:

Class A: 0.6593% - 1.7293%
Class B: 0.6593% - 2.4793%
Advisor Class: 0.6593% - 2.4793%

Contact

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Plan Portfolios

There is no investment data available for this plan. Please visit <http://www.lonestar529.com> for additional information.