



Arkansas - iShares 529 Plan

Data as of: 10/22/19

Arkansas' iShares 529 Plan from BlackRock is comprised solely of iShares ETFs and offers 7 year-of-enrollment portfolios, 4 asset allocation options, and 17 individual portfolios. These 21 portfolios can be mixed and matched or used independently of one another to achieve the investment allocation desired. 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
0.92	2.55	4.78	3.82	0.50

Investment Options

Age-based investment options:

The seven iShares Year-of-Enrollment Portfolios are based upon the designated beneficiary's anticipated year of enrollment, rather than the designated beneficiary's age. The asset allocation of the money invested in these investment options is automatically adjusted quarterly over time to become more conservative as the number of years to enrollment for the Designated Beneficiary decreases.

Static investment options:

The four iShares Asset Allocation Portfolios are designed to meet a specific risk profile and are offered in Aggressive, Moderate, Conservative and Fixed Income allocations. The asset allocation is reviewed at least annually and may be updated to take into account changes in risk and correlations of the asset classes and underlying investments. A dollar-cost averaging option provides for automatic monthly reallocations. The Custom iShares portfolio option offers seventeen individual portfolios investing in equity, real estate or fixed-income funds. A savings option invests in an FDIC-insured account.

Underlying investments:

iShares exchange traded funds (ETFs).

Taxes and other Benefits

Program match on contributions:

None.

State tax deduction or credit for contributions:

Contributions to an Arkansas 529 plan of up to \$5,000 per year by an individual, and up to \$10,000 per year by a married couple filing jointly, are deductible in computing Arkansas taxable income, with a four-year carryforward of excess contributions. Contributions to a NON-Arkansas plan of up to \$3,000 per year by an individual, and up to \$6,000 per year by a married couple filing jointly, are deductible. Rollover contributions from another state's plan are deductible in the amount of \$7,500 per individual and \$15,000 per couple. Employers are allowed a \$500 deduction per employee for 529 matches into Arkansas plans. Contribution deadline is December 31, and state must receive it by a specified date following December 31.

State tax recapture provisions:

The principal portion of rollovers and non-qualified withdrawals from this plan are included in Arkansas taxable income to the extent of prior Arkansas tax deductions.

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:

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

State tax treatment of rollovers:

Arkansas follows federal tax-free treatment for rollovers except that outbound rollovers are subject to the recapture of prior state tax deductions. Rollover contributions from another state's plan are deductible in the amount of \$7,500 per individual and \$15,000 per couple.

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

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.

Plan Portfolios

There is no investment data available for this plan. Please visit <http://www.iShares529.com> for additional information.

General

Program type:

Savings

How to enroll:

Enroll through a financial advisor.

Initial year of operation:

2007 (December)

State agency(ies):

The Arkansas 529 Plan Review Committee, composed of the Director of the Department of Higher Education, the Executive Director of the Arkansas Teacher Retirement System, and the Arkansas State Treasurer

Program manager:

Ascensus Broker Dealer Services, Inc.

Program distributor:

Ascensus Broker Dealer Services, Inc. and BlackRock Investments, LLC

Contributions

Maximum contributions:

Accepts contributions until all account balances in Arkansas' 529 plans for the same beneficiary reach \$366,000.

Minimum contributions:

With lump-sum contributions, the minimum initial contribution is \$500, and the minimum subsequent contribution is \$50. With the automatic investment plan, the minimum contribution level is \$50 per month or \$150 per quarter via bank transfer or \$25 per pay period via payroll deduction. The minimum contribution drops to \$25 for gift contributions made through the Plan's Ugift feature.

Fees & Expenses

Enrollment or application fee:

None.

Account maintenance fee:

\$10 annually, waived for accounts with \$20,000 or more.

Program management fees:

Year-to-Enrollment and Asset Allocation Portfolios: 0.40% manager fee (includes 0.05% state administration fee), plus 0.25% annual sales fee (Class A), 0.60% (Class L), or 0.00% (Class F).

Custom Portfolios:

0.35% manager fee (includes 0.05% state administration fee), plus 0.25% annual sales fee (Class A), 0.60% (Class L), or 0.00% (Class F).

Expenses of the underlying investments:

Ranges from 0.06% to 0.15% (portfolio weighted average) in the Year-to-Enrollment and Asset Allocation Portfolios, 0.03% to 0.49% in the Custom Portfolios, none for the Savings Portfolio.

Total asset-based expense ratio:

Class A: 0.35% - 1.09%

Class L: 0.35% - 1.44%

Class F: 0.35% - 0.84%

Contact

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<http://www.iShares529.com>

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