

Connecticut - CHET Advisor 529 College Savings Program

Data as of: 04/19/24

The Connecticut Higher Education Trust (CHET) Advisor Plan is managed by Fidelity Investments. Fidelity offers the CHET Advisor 529 Plan through brokers, utilizing Fidelity Series funds in its age-based and static portfolio options, and Fidelity Advisor funds in its individual fund portfolio options.

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
2.31	3.64	4.23	3.77	0.50

Investment Options

Age-based/Enrollment Year investment options:

The Age-Based Strategy contains 8 portfolios of underlying mutual funds. Contributions are placed into the portfolio corresponding to the age of the beneficiary or as determined by the account owner. 7 portfolios shift to a more conservative investment allocation over time, eventually transferring to the College portfolio.

Static investment options:

Select among 2 multi-fund portfolios (Aggressive Growth and Moderate Growth and 16 individual-fund portfolios and a Stable Value Portfolio.

Underlying investments:

Fidelity Advisor Funds and Fidelity Series Funds

Taxes and other Benefits

Program match on contributions:

The CHET Baby Scholars program closed to new account owners as of July 1, 2021. CHET Advisor plan account owners who enrolled and meet the eligibility requirements of the Baby Scholars Program prior to July 1, 2021, are eligible for a one-time \$100 contribution to families that open a 529 college savings account by an eligible child's first birthday or within the first year after an adoption. A beneficiary is eligible for only on \$100 contribution regardless of the number of CHET 529 accounts opened. Families that save an additional \$150 in the first four years will receive a state match of \$150, for a total of \$250 in state funds.

State tax deduction or credit for contributions:

Contributions to a Connecticut 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 Connecticut taxable income, with a five-year carryforward of excess contributions. Rollover contributions are not deductible. Contribution deadline is December 31 postmark if by mail, or final business day of the year if by electronic payment.

State tax recapture provisions:

None.

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 Connecticut and non-Connecticut 529 plans are exempt. Nonqualified distributions from Connecticut 529 plans made to the account beneficiary are also exempt (i.e. income reported for federal purposes may be subtracted on the CT tax return).

State tax treatment of rollovers:

Connecticut 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, 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:

2010, substantially changed in 2021

State agency(ies):

Connecticut State Treasurer

Program manager:

Fidelity Investments

Program distributor:

Fidelity Investments Institutional Services Company, Inc

Contributions

Maximum contributions:

Accepts contributions until all account balances in Connecticut's 529 plans for the same beneficiary reach \$550,000.

Minimum contributions:

There is no minimum to open an account. With the automatic investment plan, the minimum contribution level is \$50 per month or \$150 per quarter.

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

This plan does not offer an online gifting portal allowing for easy sharing but may offer gift certificates or allow mail-in gift contributions.

Fees & Expenses

Enrollment or application fee:

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

Account maintenance fee:

\$20 annually for accounts with less than \$25,000, waived with automatic contributions of at least \$50 per month or \$150 per quarter.

Program management fees:

0.20% management fee (includes 0.01% fee to the state), plus distribution/servicing fees as follows:

Fixed income, individual-fund portfolios: 0.15% (Class A), 1.00% (Class C), 0.75% (Class P), none (Class I)

All other portfolios: 0.25% (Class A), 1.00% (Class C), or 0.75% (Class P), none (Class I)

Expenses of the underlying investments:

Ranges from 0.47% to 0.79% (portfolio weighted average) in the age-based and static multi-fund portfolios, and from 0.05 to 1.10% in the individual-fund portfolios.

Total asset-based expense ratio:

Class A: 0.40% - 1.55%

Class C: 1.25% - 2.30%

Class P: 1.00% - 2.05%

Class I: 0.25% - 1.30%

Contact

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Plan Portfolios

There is no investment data available for this plan. Please visit https://institutional.fidelity.com/app/item/RD_9894866.html for additional information.