



Nebraska Education Savings Trust -- Advisor College Savings Plan

Data as of: 03/28/24

Nebraska Education Savings Trust -- Advisor College Savings Plan changed program managers in December 2010 from Union Bank and Trust Company of Lincoln, Nebraska to First National Bank of Omaha. Plan management returned to Union Bank and Trust Company in 2020. 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
2.62	4.40	4.74	4.73	0.50

Investment Options

Age-based/Enrollment Year investment options:

The Age-Based Portfolios option offers 3 different risk levels (Multi-Firm Aggressive, Multi-Firm Moderate, and Conservative Index) each containing 9 portfolios of underlying funds. Contributions are placed into the portfolio corresponding to the selected risk level and beneficiary's age, and later reassigned to more conservative portfolios as the beneficiary approaches college age.

Static investment options:

Select among 5 static options (All Equity, Growth, Balanced, Conservative) and 19 individual-fund portfolios including a money market option and the Bank Savings option.

Underlying investments:

Vanguard, T. Rowe Price, DFA, MetWest, State Street, Fidelity, PGIM Investments, American Funds, Dodge & Cox and Northern Funds. The Bank Savings option invests in an FDIC-insured savings account held in trust at Union Bank and Trust Company and/or Nelnet Bank.

Taxes and other Benefits

Program match on contributions:

The Meadowlark Savings Pledge provides eligible Nebraska newborns with a NEST savings account for education expenses. Any baby born on or after January 1, 2020, who is a resident of Nebraska at the time of birth is eligible to receive a Meadowlark seed contribution of \$50. Babies are enrolled in the program in the spring following their year of birth.

State tax deduction or credit for contributions:

Contributions by an account owner who files a Nebraska state income tax return, including the principal and earnings portions of rollovers from another qualified college savings plan not issued by the State of Nebraska, are deductible in computing the account owner's Nebraska taxable income for Nebraska income tax purposes in an amount not to exceed \$10,000 (\$5,000 for married taxpayers filing separate returns) in the aggregate for all contributions to all accounts within the Trust in any taxable year. Contributions by a custodian of an UGMA or UTMA account who is also the parent or guardian of the Beneficiary of an UGMA or UTMA account may claim this deduction. Contribution deadline is December 31 postmark.

State tax recapture provisions:

The principal portion of rollovers and nonqualified withdrawals from this plan are included in Nebraska taxable income to the extent of prior Nebraska 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 as defined by the Internal Revenue Code and its regulations addressing qualified state tuition programs or participation in an apprenticeship program, and interest and/or principal on qualified education loans up to a \$10,000 lifetime cap. This does not include tuition for elementary or secondary education. Distributions from a 529 account directly to a Roth IRA are considered a qualified expense for state income tax purposes.

State tax treatment of qualified distributions:

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

State tax treatment of rollovers:

Nebraska 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?

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

General

Program type:

Savings

How to enroll:

Enroll through a financial advisor.

Initial year of operation:

2001, but substantially changed December 2010 and December 2020

State agency(ies):

Nebraska State Treasurer and Nebraska Investment Council

Program manager:

Union Bank and Trust Company

Program distributor:

Northern Trust Securities, Inc

Contributions

Maximum contributions:

Accepts contributions until all account balances in Nebraska's 529 plans for the same beneficiary reach \$500,000.

Minimum contributions:

No minimum.

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

This plan offers an online tool to share a gift contribution link with family and friends. For federal gift tax purposes, contributions to an account are considered a gift from the contributor to the Beneficiary that is eligible for the gift tax annual exclusion. For 2021, the annual exclusion was \$15,000 per donee (\$30,000 for a married couple that elects on a federal gift tax return to "split" gifts). Effective January 1, 2022, the annual exclusion is \$16,000 per donee (\$32,000 for a married couple that elects on a federal gift tax return to "split" gifts).

Fees & Expenses

Enrollment or application fee:

None.

Account maintenance fee:

None.

Program management fees:

All portfolios except the State Street U.S. Government Money Market, Age-Based Index Conservative 17-18, Age-Based Index Conservative 19+, and Bank Savings option: 0.15% and a state fee of 0.02%, plus account servicing fees of 0.25% (Class A), 0.50% (Class C), 1.00% (Class C-1), none for Class F

State Street U.S. Government Money Market, Age-Based Index Conservative 17-18, Age-Based Index Conservative 19+, and Bank Savings option: 0.15% and a state fee of 0.02%

Expenses of the underlying investments:

Ranges from 0.04% to 0.23% (portfolio weighted average) in the age-based and static multi-fund portfolios, from 0.02% to 0.60% in the individual-fund portfolios, none for the Bank Savings option.

Total asset-based expense ratio:

Class A: 0.17% - 1.02%
Class C: 0.17% - 1.27%
Class C-1: 0.17% - 1.77%
Class F: 0.17% - 0.77%

Contact

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There is no investment data available for this plan. Please visit <http://www.nest529Advisor.com/> for additional information.