

Tennessee - TNStars College Savings 529 Program

Data as of: 03/28/24

The TNStars College Savings 529 Program is administered by the Tennessee Treasury Department. It features an age-based option and individual investment options with underlying funds from Vanguard, PrimeCap, DoubleLine, and Western Asset.

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
2.04	4.11	4.42	3.77	0.30

Investment Options

Age-based/Enrollment Year investment options:

An age-based option offers ten age bands. Contributions are placed into the portfolio corresponding to the beneficiary's age and automatically shift to a more conservative portfolio over time.

Static investment options:

Select among 15 individual options investing in Vanguard, DoubleLine, Western Asset or Primecap funds

Underlying investments:

Vanguard in the age-based option; Vanguard, DoubleLine, Western Asset and Primecap in the individual options.

Taxes and other Benefits

Program match on contributions:

Under the Tennessee Investments Preparing Scholars Program (TIPS), eligible families can receive a matching contribution of \$100 for a minimum \$25 investment, or \$500 for a minimum \$125 investment. Beneficiaries can receive a maximum match of \$500 per year with a \$1,500 lifetime maximum benefit per beneficiary.

State tax deduction or credit for contributions:

Not applicable. Tennessee 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, 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.

State tax treatment of qualified distributions:

Not applicable. Tennessee does not have a personal income tax. Contributions to, and distributions from, Tennessee and non-Tennessee 529 plans are specifically exempt from all Tennessee state, county, and municipal taxes.

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 directly with the program.

Initial year of operation:

2012

State agency(ies):

State of Tennessee Department of Treasury and the College Savings Trust Fund Program Board of Trustees

Program manager:

State of Tennessee Department of Treasury

Program distributor:

Not applicable.

Contributions

Maximum contributions:

\$350,000 including all accounts in the program held for the same beneficiary

Minimum contributions:

The minimum initial or subsequent contribution to an account for each investment option is \$25. Once an initial contribution is made to the account, there are no required subsequent contributions. There is a minimum \$25 contribution to establish the account, regardless of the number of investment options selected.

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

This plan offers a robust gifting platform that allows gift-givers to save their own profile for recurring or future contributions.

Fees & Expenses

Enrollment or application fee:

None

Account maintenance fee:

None

Program management fees:

0.20%

Expenses of the underlying investments:

Ranges from 0.044% to 0.050% in the age-based option; 0.03% to 0.65% in the individual options and money market 0.110%.

Total asset-based expense ratio:

0.23% to 0.85%

Contact

Website:

<http://tnstars.com/>

Telephone:

855-386-7827

Twitter

<http://twitter.com/TNStars529>

Facebook

TNStars529

Plan Portfolios

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