



## Tennessee - TNStars College Savings 529 Program

Data as of: 04/10/20

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

### 5-Cap Rating

<b>Resident:</b>		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)		
<b>Non-Resident:</b>				
<b>Performance</b>	<b>Costs</b>	<b>Features</b>	<b>Reliability</b>	<b>Resident Upgrade</b>
NA	4.74	4.77	4.10	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, or an interest bearing account option with First Tennessee Bank National Association.

#### 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 for up to three years.

#### 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.

#### 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 Baccalaureate Education System Trust 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 and any accounts in Tennessee's BEST Prepaid 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.

### Fees & Expenses

#### Enrollment or application fee:

None

#### Account maintenance fee:

None

#### Program management fees:

0.20%; none for the interest bearing account

#### Expenses of the underlying investments:

Ranges from 0.048% to 0.05% in the age-based option; 0.03% to 0.64% in the individual options; none for the interest bearing account.

#### Total asset-based expense ratio:

0.23% to 0.84%, none for the interest bearing account.

### Contact

#### Website:

<http://tnstars.com/>

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<http://twitter.com/TNStars529>

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### Plan Portfolios

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