



Indiana - CollegeChoice Advisor 529 Savings Plan

Data as of: 03/29/24

Upromise Investments, Inc., which was acquired by Ascensus College Savings in 2013, became manager of the Indiana CollegeChoice Advisor 529 Savings Plan in September 2008, replacing JPMorgan. The plan uses BlackRock, Schwab, DFA, American Funds, T.Rowe Price, Carillon Tower Advisors and Vanguard funds in its Year of Enrollment Option and mutual funds from various investment managers in its individual portfolios. The plan also offers an FDIC-insured Savings Portfolio from NexBank and the Capital Preservation Portfolio invested in the New York Life Guaranteed Interest Account. 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
2.20	3.56	4.74	4.45	0.50

Investment Options

Age-based/Enrollment Year investment options:

The Year of Enrollment option contains 8 portfolios of underlying mutual funds. Contributions are placed into the portfolio corresponding to the anticipated year of college enrollment, and reassigned to the College Portfolio upon reaching that year.

Static investment options:

Select among 12 individual-fund portfolios with various investment managers. An FDIC-insured bank savings option and capital preservation option are also offered.

Underlying investments:

Vanguard, Schwab, BlackRock, DFA, American Funds, T. Rowe Price, Carillon Tower Advisors, Diamond Hill, PIMCO. The Savings Portfolio invests in the NexBank High-Yield Savings account and the Capital Preservation Portfolio invests in the New York Life Guaranteed Interest Account.

Taxes and other Benefits

Program match on contributions:

None.

State tax deduction or credit for contributions:

Indiana taxpayers are eligible for a state income tax credit of 20% of contributions to a CollegeChoice Advisor account, up to \$1,500 credit per year (\$750 for married couples filing separately). Effective January 1, 2024, rollover contributions and contributions generated through a rewards program are not eligible for the credit. Effective January 1, 2023, the definition on an Indiana taxpayer was revised to include married individuals filing separately. The maximum annual credit allowed for a married taxpayer filing separately is \$750. Indiana residents may elect to treat contributions made through the deadline (excluding extensions) for filing an individual Iowa state income tax return (generally April 15) as having been made in the prior year in order to claim the allowable annual credit on their Indiana state tax return for the prior year. Contributions default to the current contribution year; if you wish to have a contribution made before Tax Day count toward the prior calendar year, include a letter with a mailed check or contact the plan administrator to make the request.

State tax recapture provisions:

An account owner must pay with the Indiana tax return a tax equal to the 20 percent of a nonqualified withdrawal from this plan, to the extent of Indiana tax credits previously claimed. Nonqualified withdrawals for this purpose include rollovers but do not include withdrawals made as the result of the beneficiary's death or disability or withdrawals made on account of the beneficiary's receipt of a scholarship. Recapture will apply to accounts terminated within 12 months from account opening date.

State definition of qualified expenses

The state definition of qualified education expenses includes expenses for higher education and apprenticeship programs, 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. Education loan repayments are not considered as a qualified education expense.

For Indiana state income tax purposes, a withdrawal for payment of K-12 Tuition Expenses at a K-12 school which is not located in Indiana will be treated as a non-qualified withdrawal and taxed as income to the extent previously deducted as a contribution to the CollegeChoice 529 Direct Savings Plan. 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 Indiana and non-Indiana 529 plans are exempt.

State tax treatment of rollovers:

Indiana follows federal tax-free treatment except that outbound rollovers are subject to the recapture of prior state tax credits.

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

General

Program type:

Savings

How to enroll:

Enroll through a financial advisor.

Initial year of operation:

1997, but substantially changed in 2008

State agency(ies):

Indiana Education Savings Authority (IESA)

Program manager:

Ascensus Government Savings

Program distributor:

Ascensus Broker Dealer Services

Contributions

Maximum contributions:

Accepts contributions until all account balances in Indiana's 529 plan for the same beneficiary reach \$450,000.

Minimum contributions:

\$25

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, but contributions may be subject to a sales charge depending on share class.

Account maintenance fee:

\$20 annually, waived for accounts with an Indiana resident as owner or beneficiary and for accounts with balances of \$25,000 or more.

Program management fees:

0.39% manager fee (includes 0.08% state administrative fee) plus distribution expenses of 0.25% (Class A) or 1.00% (Class C), none for Class I. The Savings Portfolio and Capital Preservation Portfolio are subject to a 0.31% manager fee.

Expenses of the underlying investments:

Ranges from 0.04% to 0.11% in the Year of Enrollment portfolio option and from 0.02% to 0.76% in the Individual portfolio options (portfolio weighted average). None for the Capital Preservation or Savings Portfolio.

Total asset-based expense ratio:

Class A: 0.66% - 1.40%
Class C: 1.41% - 2.15%
Class I: 0.41% - 1.15%
Savings Portfolio - 0.31%
Capital Preservation Portfolio - 0.31%

Contact

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<https://www.facebook.com/collegechoice529/>

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

There is no investment data available for this plan. Please visit <https://www.collegechoiceadvisor529.com/> for additional information.