



Louisiana - START Saving Program

Data as of: 03/29/24

The START Saving Program requires Louisiana residency to participate. It is subsidized by the state, resulting in no costs to the participant above the underlying fund costs. Vanguard funds and the State Treasurer's fixed income fund are utilized in the age-based and static portfolio options. Louisiana has established a separate program for K-12 savings, the Louisiana Student Tuition Assistance and Revenue Trust Kindergarten Through Grade Twelve Program, or START K12.

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
2.51	5.00	4.49	4.45	0.60

Investment Options

Age-based/Enrollment Year investment options:

Three Age-Based Options contain 4 portfolios of underlying mutual funds. Contributions are placed into the portfolio corresponding to the beneficiary's age, and later reassigned to more conservative portfolios as the beneficiary approaches college age.

Static investment options:

Select between the Louisiana Principal Protection Option (100% invested in the state-managed Fixed Earnings Fund), and 6 Vanguard individual fund options.

Underlying investments:

Vanguard LifeStrategy funds (in the Age-Based Option), the Louisiana State Treasurer's fund, and Vanguard Index Funds.

Taxes and other Benefits

Program match on contributions:

The state provides an earnings enhancement equal to 2% to 14% (depending on income) of a Louisiana participant's contributions when the account is used for qualifying expenses.

State tax deduction or credit for contributions:

Contributions to the Louisiana 529 plan of up to \$2,400 per beneficiary per year by an individual taxpayer, and up to \$4,800 per beneficiary per year by a married couple filing jointly, are deductible in computing Louisiana taxable income. Any unused cap amount with an active account may be carried forward to increase the cap in subsequent tax years. Double deductions of up to \$4,800 per year may be claimed for an account opened for an eligible needy, non-related beneficiary. Contribution deadline is December 31.

Contributions to START K12 accounts ARE NOT deductible in computing Louisiana taxable income.

State tax recapture provisions:

The principal portion of nonqualified withdrawals from this plan are included in Louisiana taxable income to the extent of prior Louisiana tax deductions. Rollovers are not subject to recapture.

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:

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

State tax treatment of rollovers:

Louisiana 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.

Plan Portfolios

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

General

Program type:

Savings

How to enroll:

Enroll directly with the program.

Initial year of operation:

1997

State agency(ies):

Louisiana Tuition Trust Authority (LATTa)

Program manager:

Louisiana State Treasurer

Program distributor:

Not applicable

Contributions

Maximum contributions:

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

Minimum contributions:

\$10

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.

Account maintenance fee:

None.

Program management fees:

None

Expenses of the underlying investments:

None for the Principal Protection fund. Ranges from 0.11% - 0.14% for the Vanguard LifeStrategy funds (Age-Based options; none for Ages 16+), and from 0.02% to 0.08% for the Vanguard individual fund options.

Total asset-based expense ratio:

0.02% - 0.14%. None for the Principal Protection option.

Contact

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<https://twitter.com/LOSFA>