

New Mexico - The Education Plan's College Savings Program

Data as of: 04/25/24

The Education Plan College Savings Program is managed by Ascensus College Savings and features enrollment-based, index and actively managed static portfolios, and individual fund options from a variety of fund families.

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
4.08	4.60	5.00	4.45	0.60

Investment Options

Age-based/Enrollment Year investment options:

The Year of Enrollment Portfolios contain 11 portfolios of underlying mutual funds, ranging from 90% equity to 20% equity. Contributions are placed into the portfolio corresponding to the number of years to expected enrollment based on the age of the beneficiary or as selected by the account owner. 10 portfolios shift to a more conservative investment allocation over time, eventually transferring to the Enrollment Portfolio.

Static investment options:

Select among 4 portfolios invested in actively-managed funds, 4 portfolios invested in index funds, and 4 individual-fund portfolios and the Capital Preservation Portfolio.

Underlying investments:

Vanguard, Schwab, SSGA, BlackRock, New York Life, TIAA-CREF, American Funds, DFA, and PGIM Investments

Taxes and other Benefits

Program match on contributions:

None.

State tax deduction or credit for contributions:

Contributions to a New Mexico 529 plan are fully deductible in computing New Mexico taxable income.

State tax recapture provisions:

The principal portion of rollovers and nonqualified withdrawals from this plan are included in New Mexico taxable income to the extent of prior New Mexico tax deductions.

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 for state income tax purposes.

State tax treatment of qualified distributions:

Qualified distributions from New Mexico and non-New Mexico 529 plans are exempt.

State tax treatment of rollovers:

New Mexico 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

There is no investment data available for this plan. Please visit http://www.theeducationplan.com/?utm_source=Visit_Link&utm_medium=Saving_For_College&utm_campaign=Saving_For_College for additional information.

General

Program type:

Savings

How to enroll:

Enroll directly with the program.

Initial year of operation:

2000, but changed substantially in 2019

State agency(ies):

Education Trust Board of New Mexico

Program manager:

Ascensus College Savings

Program distributor:

Ascensus College Savings

Contributions

Maximum contributions:

Accepts contributions until all account balances in New Mexico'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 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:

0.10% management fee (includes 0.05% fee to the state)

Expenses of the underlying investments:

Ranges from 0.03% to 0.28% (portfolio weighted average) in the enrollment-based and static options, from 0.02% to 0.18% (portfolio weighted average) in the individual investment options. None for the Capital Preservation Portfolio.

Total asset-based expense ratio:

0.10% - 0.38%

Contact

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http://www.theeducationplan.com/?utm_source=Visit_Link&utm_medium=Saving_For_College&utm_campaign=Saving_For_College

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