



New York's 529 College Savings Program -- Direct Plan

Data as of: 08/22/19

New York's direct-sold 529 college savings plan is available to residents of any state. It offers low fees and diverse investment options featuring Vanguard mutual funds. New York residents may enjoy a state tax deduction for contributions to the plan.

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
4.83	5.00	3.82	4.78	0.40

Investment Options

Age-based investment options:

The Age-Based Option offers a choice among 3 different risk levels (Aggressive, Moderate, or Conservative) each containing 9 portfolios of underlying mutual funds. Contributions are placed into the portfolio corresponding to the selected risk level and beneficiary's age, and later reassigned to more conservative portfolios as the beneficiary approaches college age.

Static investment options:

Select among 5 multi-fund portfolios (Aggressive Growth, Growth, Moderate Growth, Conservative Growth, and Income), 7 individual fund portfolios, and the Interest Accumulation portfolio.

Underlying investments:

Vanguard mutual funds.

Taxes and other Benefits

Program match on contributions:

None.

State tax deduction or credit for contributions:

Contributions to a New York 529 plan of up to \$5,000 per year by an individual, and up to \$10,000 per year by a married couple filing jointly, are deductible in computing New York taxable income. Only contributions made by the account owner, or if filing jointly, by the account owner's spouse, are deductible. Contribution deadline is December 31 postmark.

State tax recapture provisions:

The principal portion of rollovers and nonqualified withdrawals from this plan are subject to New York tax to the extent of prior New York tax deductions, but only after removal of non-deducted contributions. A rollover for this purpose does not include a trustee-to-trustee transfer between two different accounts in New York's 529 plan.

State definition of qualified expenses

The state's definition of qualified education expenses currently includes expenses for attendance at an institution of higher education as defined by the Internal Revenue Code and its regulations addressing qualified state tuition programs. This does not include tuition for elementary or secondary education.

State tax treatment of qualified distributions:

Qualified distributions from New York and non-New York 529 plans (via conformity to the federal tax exclusion) are exempt.

State tax treatment of rollovers:

New York follows tax-free treatment for rollovers except that, according to a New York State Dept. of Taxation and Finance interpretation, a rollover out of a New York 529 plan is treated as a nonqualified withdrawal. A direct trustee-to-trustee rollover between two New York 529 accounts is not treated as a nonqualified withdrawal for this purpose.

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

Does the program have a formal agreement with a rewards program or outside scholarship 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.nysaves.org> for additional information.

General

Program type:

Savings

How to enroll:

Enroll directly with the program.

Initial year of operation:

1998, but substantially changed in November 2003

State agency(ies):

Office of the State Comptroller and the New York State Higher Education Services Corporation

Program manager:

Ascensus College Savings

Program distributor:

Vanguard Marketing Corporation

Contributions

Maximum contributions:

Accepts contributions until all account balances in New York's 529 plans for the same beneficiary reach \$520,000.

Minimum contributions:

No minimum.

Fees & Expenses

Enrollment or application fee:

None.

Account maintenance fee:

None.

Program management fees:

0.13% manager fee; fee includes underlying fund expenses.

Expenses of the underlying investments:

Not applicable, included in the program management fee.

Total asset-based expense ratio:

0.13%

Contact

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