



## Wisconsin - Tomorrow's Scholar 529 Plan

Data as of: 04/25/24

Voya, under contract with TIAA-CREF Tuition Financing, Inc., manages Wisconsin's Tomorrow's Scholar® 529 savings program. Voya succeeded Wells Fargo as program manager in late October 2012. The revised program features nine age-based options, five static allocation options, and 18 single fund options investing in Voya mutual funds and other mutual funds managed by Baillie Gifford Overseas Limited; BlackRock Financial Management, Inc.; LLC; Brandywine Global Investment Management, LLC; Columbia Management Investment Advisers, LLC; LLC; Delaware Investments Fund Advisers; Northern Trust Investments, Inc.; Polaris Capital Management, LLC; Teachers Advisors, Inc.; Victory Capital Management Inc; Van Eck Associates Corporation; Voya Investment Management Co. LLC; Wellington Management Company LLP BlackRock (Singapore) Limited Invesco Advisers, Inc. T. Rowe Price Associates, Inc. PanAgora Asset Management, Inc. Change: Teachers Advisors, Inc. to Teachers Advisors, LLC.

### 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
2.52	3.89	4.36	4.45	0.40

### Investment Options

#### Age-based/Enrollment Year investment options:

The Age-Based Option contains 9 portfolios offering a mix of underlying funds. Contributions are placed into the portfolio corresponding to the age of the beneficiary, and later reassigned to more conservative portfolios as the beneficiary approaches college age. Account owners may use the beneficiary's actual age or hypothetical age at enrollment.

#### Static investment options:

Select among 5 multi-fund portfolios with varying risk tolerances and 18 single fund options.

#### Underlying investments:

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### Taxes and other Benefits

#### Program match on contributions:

None.

#### State tax deduction or credit for contributions:

Contributions to a Wisconsin 529 plan of up to \$3,860 per beneficiary per year (any filing status) are deductible in computing Wisconsin taxable income. The maximum annual deductible will be increased annually to reflect inflation. Contributions in excess of the maximum annual limit may be carried forward to one or more future years and deducted up to the then annual maximum deductible amount each year until all amounts invested have been deducted from Wisconsin taxable income. Incoming rollovers from other states' 529 plans are accepted. Beginning with the 2015 tax year, the portion that is principal or contributions may qualify for reducing Wisconsin taxable income, including carry-forward for subsequent years; the portion attributed to growth is not eligible. Amounts that received an earlier Wisconsin reduction are not eligible. Contributors do not need to be the account owner to claim the deduction. Any Wisconsin taxpayer may claim a deduction for contributions to any account. Contribution deadline is April 15 of the year following the tax year. Parents no longer need to claim their child as a dependent in order to claim the deduction; however, the maximum deduction is reduced to \$1,930 for a parent who is married and filing separately or who is divorced, unless the divorce judgment specified a different division of the \$3,560 combined maximum.

Effective January 1, 2018, employers may receive a tax credit equal to 25% of the total contributions that the employer makes to a Wisconsin Trust account for its employee up to a maximum amount across all accounts that is equal to 25% of the maximum contribution amount that an individual contributor may deduct per tax year. (25% credit for 25% of maximum contribution allowed employee).

#### State tax recapture provisions:

Non-qualified withdrawals & rollovers to other 529 plans must be added back to Wisconsin taxable income unless eligible for the federal non-qualified withdrawal penalty waiver: death or disability of the beneficiary or withdrawals equal to the amount of a scholarship award in such period of such award. Withdrawals taken within 365 days of a contribution must be added back to WI taxable income if previously deducted and the account balance was less than the withdrawal amount prior to the contribution.

#### 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 rollovers:

Wisconsin follows federal tax-free treatment.

### General

#### Program type:

Savings

#### How to enroll:

Enroll through a financial advisor.

#### Initial year of operation:

2001, but substantially changed in 2012

#### State agency(ies):

Wisconsin College Savings Program Board

#### Program manager:

Voya (Voya Investments Distributor, LLC and Voya Funds Services, LLC)

#### Program distributor:

Voya Investments Distributor, LLC

### Contributions

#### Maximum contributions:

Accepts contributions until all account balances in Wisconsin's 529 plans for the same beneficiary reach \$545,500.

#### Minimum contributions:

\$250, or \$25 per month with the automatic contribution plan.

#### Does the program offer an e-gifting platform for receiving gift contributions?

This plan offers an online tool to share a gift contribution link with family and friends.

### Fees & Expenses

#### Enrollment or application fee:

None, but contributions may be subject to a sales charge depending on share class.

#### Account maintenance fee:

\$25 annually per account option with \$25,000 or less, waived for Wisconsin residents or accounts with automatic deposits of \$25 per month in each option (active for the 12 previous months without interruption or since account opening). AR shares are not subject to the \$25 annual maintenance fee.

#### Program management fees:

0.13% management fee (includes 0.05% fee to the state), plus distribution/servicing fees of 0.25% (Class A), 1.00% (Class AR for Rollovers), 1.00% (Class C), 0.50% (Class C1; TIAA-CREF portfolios), none (Class W), and 0.05% for TIAA-CREF Principal Protection Option. Class AR shares convert to Class A shares after one year at which time distribution/servicing fees are 0.25%. Class C shares convert to Class A shares after five years, at which time distribution/servicing fees are 0.25%.

#### Expenses of the underlying investments:

Ranges from 0.40% to 0.59% (portfolio weighted average) in the age-based and static allocation portfolios and 0.05% to 1.00% in the single fund portfolios, none for the TIAA-CREF Principal Protection portfolio.

#### Total asset-based expense ratio:

Class A: 0.43% - 1.38%  
Class AR (for rollovers): 1.18% - 2.13%  
Class C: 1.48% - 2.13%  
Class C1 (TIAA-CREF portfolios): 0.68% - 0.69%  
Class W: 0.18% - 1.13% TIAA-CREF Principal Protection: 0.18%

### Contact

#### Website:

<http://www.tomorrowsscholar.com>

#### Telephone:

1-866-677-6933

**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.

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## Plan Portfolios

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