



Maryland 529 -- Maryland Senator Edward J. Kasemeyer College Investment Plan

Data as of: 04/23/24

The Maryland 529 -- Senator Edward J. Kasemeyer College Investment Plan is a direct-sold 529 plan available to residents of any state, and is managed by T. Rowe Price. Maryland 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
3.79	4.20	4.55	4.18	0.50

Investment Options

Age-based/Enrollment Year investment options:

The Enrollment-Based Portfolios contain 8 portfolios of underlying mutual funds, ranging from 100% 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. 7 portfolios shift to a more conservative investment allocation over time, eventually transferring to the Portfolio for Education Today.

Static investment options:

Select among 3 multi-fund portfolios (Equity Portfolio, Balanced Portfolio, Global Equity Market Index Portfolio) and 7 individual-fund portfolios (U.S. Treasury Money Market Portfolio, Inflation Focused Bond Portfolio, Bond and Income Portfolio, U.S. Bond Index Portfolio, Equity Index 500 Portfolio, Extended Equity Market Index Portfolio and Social Index Equity Portfolio).

Underlying investments:

T. Rowe Price mutual funds and Vanguard index fund

Taxes and other Benefits

Program match on contributions:

The Save4College State Contribution Program is designed to help lower to middle-income families in Maryland save money for higher education. Individuals who open a Maryland College Investment Plan Account may be eligible to receive a \$250 or \$500 contribution from the state. The application period opens January 1. All applicants must submit their application for the Save4College State Contribution Program by 11:59 pm on May 31. Maryland 529 or the Maryland General Assembly may make changes to the State Contribution Program in the future that impact the contribution amounts, minimum requirements, or other eligibility requirements.

*State contributions are not guaranteed. The state funding for contributions is limited each fiscal year. As with the entire state budget, the Maryland General Assembly has final approval. If resources are insufficient to fully fund all eligible accounts, Maryland 529 shall provide contributions in the order in which applications are received in good order and give priority to applications of account holders who did not receive a state contribution in any prior year. Account holders who receive a State Contribution Program contribution in a given year are not eligible for the \$2,500 deduction for any of their College Investment Plan Accounts that year. Individuals should check with a tax professional regarding their specific situation.

State tax deduction or credit for contributions:

Contributions to the Maryland 529 -- College Investment Plan of up to \$2,500 per beneficiary per year by an individual, and up to \$5,000 per beneficiary per year by married taxpayers filing jointly are deductible in computing Maryland taxable income, with a 10-year carryforward of excess contributions. Account owners and contributors are eligible for the deduction. Rollover contributions are deductible if not previously deducted. Contribution deadline is December 31 postmark.

State tax recapture provisions:

The principal portion of nonqualified withdrawals from this plan are included in Maryland taxable income to the extent of prior Maryland 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. 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 Maryland and non-Maryland 529 plans are exempt.

State tax treatment of rollovers:

Maryland 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

General

Program type:

Savings

How to enroll:

Enroll directly with the program.

Initial year of operation:

2001

State agency(ies):

Maryland 529

Program manager:

T. Rowe Price Associates, Inc.

Program distributor:

T. Rowe Price Investment Services, Inc.

Contributions

Maximum contributions:

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

Minimum contributions:

The minimum contribution requirement is \$25 per portfolio. The minimum for subsequent contributions, automatic monthly contributions and/or payroll deductions is \$25 per portfolio.

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

Account maintenance fee:

None

Program management fees:

0.03% Program Fee (0.15% for the Social Index Equity Portfolio) and 0.05% state fee

Expenses of the underlying investments:

Ranges from 0.05 to 0.56% (portfolio weighted average).

Total asset-based expense ratio:

0.13% - 0.64%

Contact

Website:

<https://maryland529.com/Investment-Plan>

Telephone:

1-888-463-4723, Option 1

Twitter

<https://twitter.com/md529plans>

Facebook

<https://www.facebook.com/maryland529/>

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://maryland529.com/Investment-Plan> for additional information.