



Arizona - Ivy InvestEd 529 Plan

Data as of: 09/23/19

The Arizona Ivy InvestEd 529 Plan is an advisor-sold 529 savings program that features six fund-of-fund mutual funds from Ivy Investment Management Company, available as either static investment options or as part of an age-based strategy, plus 19 individual-fund portfolios invested in Ivy Funds mutual funds.

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
3.43	4.40	2.83	3.72	0.13

Investment Options

Age-based investment options:

Savings Contributions are placed into one of six portfolios corresponding to the beneficiary's age, and later reassigned to more conservative portfolios as the beneficiary approaches college age.

Static investment options:

Select among 6 fund-of-funds portfolios and 19 individual-fund portfolios each investing in a single mutual fund from the Ivy Funds family.

Underlying investments:

Ivy Funds

Taxes and other Benefits

Program match on contributions:

None.

State tax deduction or credit for contributions:

Contributions to Arizona AND non-Arizona 529 plans of up to \$2,000 per year by an individual, and up to \$4,000 per year by a married couple filing jointly, are deductible in computing Arizona taxable income. The original sunset date of December 31, 2012 has been removed, thus making the deduction permanent.

State tax recapture provisions:

The principal portion of nonqualified withdrawals from this plan are included in Arizona taxable income to the extent of prior Arizona tax deductions. Nonqualified withdrawals for this purpose do not include withdrawals made as the result of the beneficiary's death or disability, withdrawals made on account of the beneficiary's receipt of a scholarship, or rollovers.

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. State legislation is pending allowing tuition for elementary or secondary education to be considered a qualified education expense.

State tax treatment of qualified distributions:

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

State tax treatment of rollovers:

Arizona follows federal tax-free treatment.

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 <https://www.ivyinvestments.com/products/ivy-invested-529-plan> for additional information.

General

Program type:

Savings

How to enroll:

Enroll through a financial advisor.

Initial year of operation:

2001

State agency(ies):

Arizona Commission for Postsecondary Education

Program manager:

Waddell & Reed, Inc.

Program distributor:

Ivy Distributors, Inc. (IDI)

Contributions

Maximum contributions:

Accepts contributions until all account balances in Arizona's 529 plans for the same beneficiary reach \$494,000.

Minimum contributions:

With lump-sum contributions, the minimum initial contribution is \$250 per fund and subsequent investments do not have a limit. With the automatic investment plan, the initial opening account minimum is \$150 per fund and the subsequent contribution level is \$50 per month. No account minimum to establish an account via payroll deduction or salary deferral.

Fees & Expenses

Enrollment or application fee:

None, but contributions may be subject to a sales charge.

Account maintenance fee:

\$20 annually for accounts with less than \$25,000, waived for Arizona residents and accounts with an automatic investment plan.

Program management fees:

None

Expenses of the underlying investments:

Ranges from 0.49% to 0.73% in the InvestEd Portfolios; 0.35% to 1.12% in the Ivy Fund Portfolios; 0.51% in the Ivy Government Money Market portfolio (no distribution fee).

Total asset-based expense ratio:

0.74% - 0.98% in the InvestEd Portfolios
0.60% - 1.52% in the Ivy Funds
0.51% in the Ivy Government Money Market portfolio

Contact

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<https://www.ivyinvestments.com/products/ivy-invested-529-plan>

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