



## New Mexico - Scholar's Edge

Data as of: 04/26/24

New Mexico's Scholar's Edge is an advisor-sold 529 savings program. Ascensus College Savings Recordkeeping Services, LLC, as the program manager, is responsible for the day-to-day operations of the plan. Principal Global Investors, LLC, as the investment advisor to the plan, provides investment management services to the Plan. Principal Funds Distributor, Inc. serves as the distributor of the Plan. Scholar's Edge features enrollment-based, target risk and individual portfolios that are multi-asset and multi-manager strategies.

### 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
2.55	3.87	5.00	3.91	0.60

### Investment Options

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

The Year of Enrollment Portfolios contain 11 portfolios of underlying mutual funds, ranging from 100% equity to 0% 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 Scholar's Edge Today Portfolio.

#### Static investment options:

Select among 4 Target-Risk portfolios with varying risk tolerances, 15 individual-fund portfolios, and the Capital Preservation Portfolio.

#### Underlying investments:

Principal, BlackRock, Vanguard, JPMorgan, and New York Life. Subadvisor MacKay Shields LLC

### 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:

Rollovers from a non-New Mexico-approved Section 529 college savings plan to the NM 529 plans are deductible for NM state tax purposes. 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.

### General

#### Program type:

Savings

#### How to enroll:

Enroll through a financial advisor.

#### Initial year of operation:

2001, but changed substantially in 2019

#### State agency(ies):

Education Trust Board of New Mexico

#### Program manager:

Ascensus College Savings Recordkeeping Services, LLC

#### Program distributor:

Principal Funds Distributor, Inc

### 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, but contributions may be subject to a sales charge depending on share class.

#### Account maintenance fee:

\$20 annually for accounts with less than \$25,000, waived if either the designated beneficiary or account owner is a New Mexico resident and for accounts with recurring contributions of at least \$25 per month or \$75 per quarter.

#### Program management fees:

0.20% management fee (includes 0.08% fee to the state), plus distribution/servicing fees of 0.25% for Class A, 1.00% for Class C, none for Class R.

#### Expenses of the underlying investments:

Ranges from 0.26% to 0.39% (portfolio weighted average) in the age-based and static portfolios, from 0.03% to 1.08% in the individual-fund portfolios. None for Capital Preservation Portfolio.

#### Total asset-based expense ratio:

Class A: 0.53% - 1.61%  
Class C: 1.28% - 2.36%  
Class R: 0.28% - 1.36%

### Contact

#### Website:

[http://www.scholarsedge529.com/?utm\\_source=Visit\\_Link&utm\\_medium=Saving\\_For\\_College&utm\\_campaign=Saving\\_For\\_College](http://www.scholarsedge529.com/?utm_source=Visit_Link&utm_medium=Saving_For_College&utm_campaign=Saving_For_College)

#### Telephone:

1-866-529-7283

### Plan Portfolios

There is no investment data available for this plan. Please visit [http://www.scholarsedge529.com/?utm\\_source=Visit\\_Link&utm\\_medium=Saving\\_For\\_College&utm\\_campaign=Saving\\_For\\_College](http://www.scholarsedge529.com/?utm_source=Visit_Link&utm_medium=Saving_For_College&utm_campaign=Saving_For_College) for additional information.