IDeal: Idaho College Savings Program
www.idsaves.org
1-866-433-2533 clientservice@idsaves.org

IDeal - Idaho College Savings Program
P.O. Box 219944
Kansas City, MO 64121

ideal IDAHO COLLEGE SAVINGS PROGRAM

Get To Know Idaho's 529 Plan

What is a 529 Plan?

529 plans were established to help families save money for post-secondary or higher education that can be used at schools across the country. The name "529" refers to the Internal Revenue Code section that allows the establishment of this type of college saving investment vehicle.

What is IDeal?

IDeal - Idaho's College Savings Program, is Idaho's state-sponsored 529 plan designed to help families make saving for college and other post-secondary programs a reality. Higher education expenses can seem daunting and are often overlooked, but with the IDeal College Savings Program, savings can happen incrementally. Most importantly, Idaho residents can use their savings for more than just tuition costs. Savings can include coverage of the entire college experience including: books and supplies, certain room and board costs and other higher education expenses. Luckily for Idaho residents, the IDeal plan offers a solution when saving for one of life's most important expenses.

How does IDeal work?

Enrolling in IDeal allows savers to choose to invest in one or more of ten different investment options based on their investing preferences and risk tolerance.
For testimonials from IDeal account owners, click here: https://www.idsaves.org/content/videos.html

How does IDeal help with savings?

Ability to save for college with each paycheck

- **Start with as little as $25.** An IDeal account can be opened with as little as $25 (or $15 per pay period through payroll direct deposit). Contributions of $25 or more can be made at any time, making the program both convenient and manageable.

Accounts are easily managed

- **Easy access.** Online access allows IDeal account holders to better maintain control of their account by visiting www.idsaves.org.

Added tax savings

- **IDeal accounts grow tax deferred.** Withdrawals used for qualified educational expenses are tax- free.[1] Account holders can receive an Idaho state income tax deduction of up to $6,000 per year ($12,000 if married, filing jointly).[2] This tax deduction is available to any Idaho taxpayer contributing to the account, not just the account owner.

Use assets at schools around the country

- Contrary to popular belief, **IDeal assets** can be applied to any eligible college, university, vocational school, or institution of higher education – not just schools in Idaho. Eligible educational institutions generally include all post-secondary institutions that participate in U.S. Department of Education student financial aid programs.

Additional opportunities for savings:

- Participation from family and friends. Ugift® - Give College Savings invites family and friends to contribute to an IDeal plan account.

- Opportunities for more savings. Upromise® by Sallie Mae® can help account holders earn college savings on everyday purchases.

Benefits for IDeal plan owners in Idaho:

- No annual account maintenance fee if either the account owner or the beneficiary is an Idaho resident.
- Idaho taxpayers receive a maximum $6,000 state income tax deduction per individual taxpayer (up to $12,000 if married, filing jointly) from their state adjusted gross income annually for contributions to IDeal.[2]
- The College of Western Idaho offers qualifying students a matching grant scholarship - up to $500 per semester.[3]

Matching grant program:

The College of Western Idaho offers qualifying students a matching grant scholarship of up to $500 per semester to qualifying students[3] who:

- Apply for federal financial aid
- Meet CWI matching criteria
- Pay for a portion of their College of Western Idaho tuition and fees using distributions directly from their IDeal account

The 529 plan advantage:

Tax-free qualified withdrawals

Withdrawals used to pay for qualified higher education expenses are free from federal and state income tax, so more of the savings can go toward paying for college instead of toward taxes.[1]

Estate and gift tax advantages

Contributions can be made up to $14,000 ($28,000 for married couples) per designated beneficiary each year to an IDeal plan account without incurring federal gift tax consequences.[4] And contributions can be made up to $70,000 per designated beneficiary in a single year ($140,000 for married couples).

[1]Earnings on non-qualified withdrawals are subject to federal income tax and may be subject to a 10% federal penalty tax, as well as state and local income taxes. The availability of tax or other benefits may be contingent on meeting other requirements.

[2]Idaho taxpayers receive a maximum $6,000 state income tax deduction per individual taxpayer (up to $12,000 if married, filing jointly) from their State adjusted gross income annually for contributions to IDeal. Contributions to IDeal are deductible from Idaho state income tax, subject to recapture in certain circumstances, such as a non-qualified withdrawal or a rollover to another state's qualified tuition program in the year of the rollover and the prior tax year.

[3]Certain restrictions apply. Funds subject to availability. For full details, please visit www.cwidaho.cc/ideal.

[4]In the event you do not survive the five-year period, a pro-rated amount will revert back to your taxable estate.

For more information about the Idaho College Savings Program ("IDeal"), call 1.866.433.2533 or visit www.idsaves.org to obtain a Disclosure Statement. The Disclosure Statement discusses investment objectives, risks, charges, expenses, and other important information. Because investing in IDeal is an important decision for you and your family, you should read and consider the Disclosure Statement carefully before investing. Ascensus Broker Dealer Services, Inc. ("ABD") is Distributor of IDeal.

If you are not an Idaho taxpayer, consider before investing whether your or the beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.

IDeal is administered by the Idaho College Savings Program Board (Board). ABD, the program manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory and record keeping and administrative services. The Vanguard Group, Inc. (Vanguard) serves as Investment Manager for IDeal. Sallie Mae Bank serves as the Savings Portfolio Manager for IDeal. IDeal's Portfolios invest in either: (i) mutual funds offered or managed by Vanguard; or (ii) an FDIC-insured omnibus savings account held in trust by the Board at Sallie Mae Bank. Except for the Savings Portfolio, investments in IDeal are not insured by the FDIC. Units of the Portfolios are municipal securities and the value of units will vary with market conditions.

Investment returns will vary depending upon the performance of the Portfolios you choose. Except to the extent of FDIC insurance available for the Savings Portfolio, you could lose all or a portion of your money by investing in IDeal, depending on market conditions. Account Owners assume all investment risks as well as responsibility for any federal and state tax consequences.

Not FDIC-Insured (except for the Savings Portfolio). No Bank, State or Federal Guarantee. May Lose Value.

Upromise is an optional service offered by Upromise, Inc., is separate from the Idaho College Savings Program, and is not affiliated with the State of Idaho. Terms and conditions apply to the Upromise service. Participating companies, contribution levels, and terms and conditions are subject to change at any time without notice. Transfers from Upromise to an Idaho College Savings Program account are subject to a $25 minimum.

Upromise and the Upromise logo are registered service marks of Upromise, Inc. Ugift is a registered service mark of ABD. All other marks are the exclusive property of their respective owners.

CSIDD_03092K 0417