



PRESS RELEASE

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START Saving Plans are gifts that keep giving

BATON ROUGE, LA – As the temperature drops, the heat is on for those who have not yet finished their holiday shopping. State Treasurer John M. Schroder has an outside-the-gift-box suggestion for present procrastinators: A START Saving Plan.

Anyone who wants to save for a child’s education can open or gift money to an existing Student Tuition Assistance and Revenue Trust Program (START) account.

“You can give a gift to young people in your life now that they will definitely thank you for later,” said Schroder. “The benefits of a START Saving plan will last long past Christmas morning.”

The START Saving Plan is a college savings plan designed to help families contend with the growing costs of educating their children. Earnings on START accounts are tax-deferred until withdrawn. If the funds are used to pay qualified higher education expenses, the earnings are exempt from both state and federal taxes.

Deposits to START accounts are deductible from reported Louisiana income, up to \$2,400 per year per beneficiary, and the state will match up to 14 percent of deposits as an earning enhancement. Qualified expenses include tuition, fees, books, supplies, equipment, room and board (if the student is attending on at least a half-time basis), and some approved expenses for "special needs."

START K12 allows families to save for tuition-only expenses related to attendance at an eligible public or approved non-public Louisiana schools that provide kindergarten through twelfth grade instruction. A full list of eligible schools can be found online at startsaving.la.gov/benefits.aspx.

Both programs are administered by the Louisiana Office of Student Financial Assistance (LOSFA) under the direction of the Louisiana Tuition Trust Authority (LATTA). The LATTA is a public body composed of representatives from all of the state's education governing boards and includes the State Treasurer and one member from each house of the Louisiana Legislature.

Both savings programs are "Qualified Tuition Plans" under Section 529 of the Internal Revenue Code.

Details on both programs can be found at startsaving.la.gov/benefits.aspx. To open an account, complete the online form at www.startsaving.la.gov.

"You can avoid the holiday crowds at the stores and channel your money into a gift your friends and loved ones will truly appreciate for years to come," Schroder added.