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News Release

FOR IMMEDIATE RELEASE:
APRIL 21, 2010

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**REAP TAX BENEFITS WHILE SAVING FOR YOUR CHILD'S EDUCATION:
INVEST TAX REFUND IN PENNSYLVANIA 529 GUARANTEED SAVINGS PLAN**

Visit www.MakeCollegePossible.com to start saving today

HARRISBURG — Pennsylvania State Treasurer Rob McCord has a great idea for families expecting a tax refund – open a Pennsylvania 529 Guaranteed Savings Plan!

Using a tax refund to open or contribute to an existing Pennsylvania 529 Guaranteed Savings Plan (GSP) allows parents to save for their children's education, reduce their state taxable income in 2010, *and* enjoy tax free growth of this money.

“While Pennsylvania's economy continues to take small steps towards economic recovery the Pennsylvania 529 Guaranteed Savings Plan remains one of the best ways for families to save for college,” said Treasurer McCord. “I encourage all parents to start saving for their child's education in this tax-exempt plan. One great way to get started is to take your tax refunds—often an unanticipated bonus—and place them directly into a GSP account.”

When used for qualified educational expenses such as tuition, books, room and board, and school supplies, GSP account earnings are not taxed when withdrawn. In addition, contributions to GSP accounts reduce state taxable income. Pennsylvania taxpayers can deduct contributions to a GSP account from their state taxable income up to \$13,000 per beneficiary each year. For a married couple with two incomes, the deduction could total \$26,000 per child.

Further, GSP accounts do not affect students' eligibility for state financial aid the way that savings accounts, savings bonds or other savings vehicles do. Family and friends can also make gifts into a GSP account. These accounts are easy to open and contributions can be made in a number of different ways.

Sponsored by the Commonwealth of Pennsylvania and administered by the Pennsylvania Treasury, the PA 529 Guaranteed Savings Plan is designed to help savings grow to meet the future costs of education. When used for qualified higher education expenses, the plan guarantees that contributions will grow at the rate of tuition inflation (subject to premiums and fees).

“When it comes to saving for your child's future, the Guaranteed Savings Plan offers tax benefits that most other savings methods, such as savings bonds and CDs, do not. It's a smart, lower-risk way to save for college,” said Treasurer McCord. “While it's always best to begin early, it's never too late to start saving. Every dollar you save is one less dollar you'll have to borrow.”

Consult your tax advisor for more detailed information.

Visit MakeCollegePossible.com or call 1-800-440-4000 to open a 529 Guaranteed Savings Plan account today.

Pennsylvania Treasurer Rob McCord is committed to increasing the economic security of all Pennsylvanians. Before winning the statewide elected job of Treasurer, McCord was a successful and respected business leader. He is now focused on strengthening the state's economy, managing investments to get strong returns for taxpayers, and helping create good jobs and retirement security for Pennsylvanians. To learn more about Treasurer McCord's initiatives and programs, please visit the Pennsylvania Treasury Department at www.patreasury.org.

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