



# Ohio 529 CollegeAdvantage

THE SIMPLE FLEXIBLE WAY TO SAVE FOR  
WHATEVER EDUCATION COMES AFTER HIGH SCHOOL



**529**

CollegeAdvantage



Administered by the Ohio Tuition Trust Authority  
An Office with the Ohio Department of Higher Education



It's clear, a higher education degree pays off.\*\*



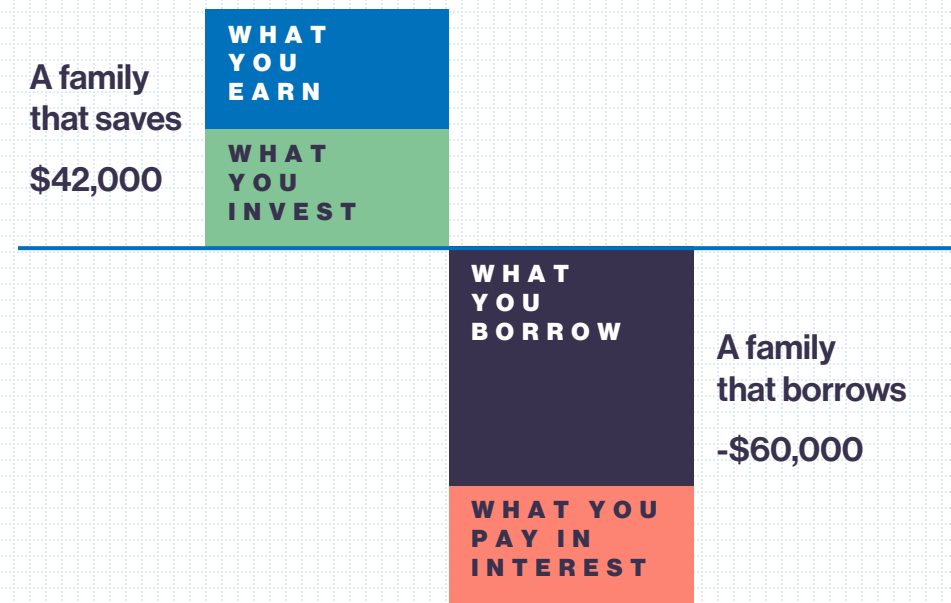
## HIGHER EDUCATION ISN'T JUST A GREAT IDEA, IT'S A Smart Financial Move

\* This hypothetical illustration assumes an average annual return of 6% for the savings with a 7% interest rate and 10-year repayment period for the loan. The illustration doesn't represent any particular investment nor does it account for inflation.

\*\* U.S. Bureau of Labor Statistics, median incomes from "Earnings And Unemployment Rates By Educational Attainment, 2023" [Earnings \(CPS\) : U.S. Bureau of Labor Statistics \(bls.gov\)](https://www.bls.gov/news.release/earnings/unemp_rates/educational_attainment_2023.pdf)

**Want to avoid doubling your costs for college?  
Save as much as you can to borrow as little as you can.**

\* Saving \$25/week for a total of \$23,400 might grow to \$42,000.  
Borrowing that same \$42,000 for college will cost \$60,000.  
(Source: Vanguard.com)





BENEFITS OF 529

# Taxes. Taxes. And Taxes.



**TAX-FREE**

Earnings grow  
tax free!



**TAX-FREE**

Withdrawals are tax free when  
used for qualified expenses!



**TAX-DEDUCTION**

Up to \$4000  
Ohio tax deduction!



ABOUT 529s

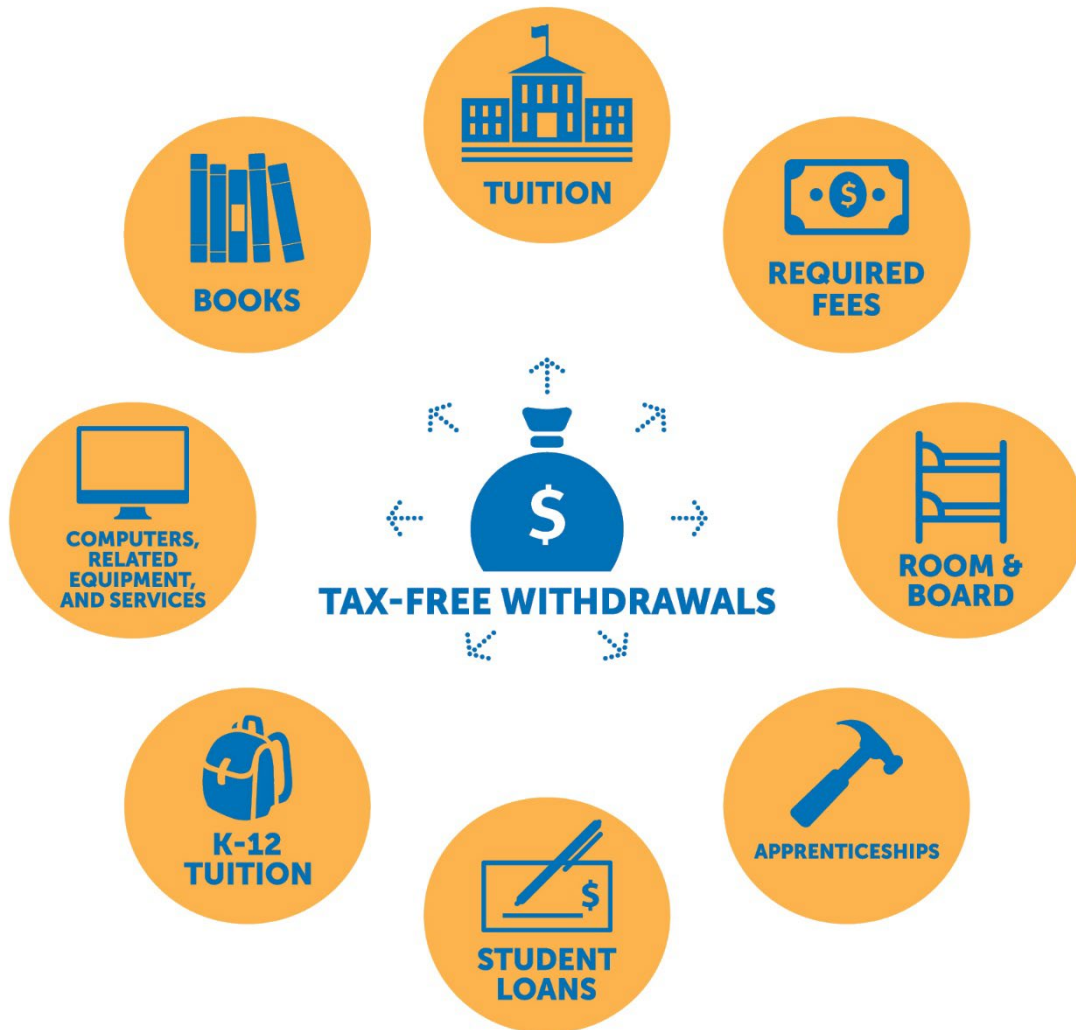
# From Womb Through Retirement

**\$25** is all it takes to start or add to Ohio 529, CollegeAdvantage.



Start early & take advantage of the power of compounding.

529 accounts can be opened any time to commemorate all of life's milestones.



BENEFITS OF 529: TAXES. TAXES. AND TAXES.

# Tax-Free Withdrawals For Qualified Expenses

**2018:** Up to \$10,000 for private K-12 education

**2019:** Up to \$10,000 for student loan repayment  
Also added a clause for apprenticeships

**NEW 2024:** Roth IRA Rollover

Please read the Offering Statement for additional details about qualified higher education expenses

# Roth IRA Rollover

Effective January 1, 2024

The Secure 2.0 Act of 2022 allows **tax-free** and **penalty-free rollovers** from a 529 plan to a Roth IRA



Roth IRA beneficiary and the 529 beneficiary must be the same person



The 529 account must have been opened for at least 15 years before rolling over to a Roth IRA



Funds need to be in a 529 account for at least 5 years before rolling over to a Roth IRA.



It needs to be a trustee-to-trustee direct transfer



Yearly Roth IRA contribution limits apply



Lifetime maximum is \$35,000 to roll over from a 529 Plan to a Roth IRA

Please consult your tax advisor for specific questions about the 529 Plan rollover to Roth IRA.



BENEFITS OF 529

# Save In Ohio 529 Go To College Anywhere

Use the funds at any kind of school  
in-state or out-of-state

**Community Colleges**

**Traditional Colleges & Universities**  
(including Historically Black Colleges & Universities)

**Undergrad & Graduate Programs**

**Technical or Trade Schools**

**Certificate Programs**

**Apprenticeships**







ABOUT 529s

# Easy To Transfer Funds

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If your child doesn't pursue a post-secondary education, all or part of the 529 funds can be transferred to any other qualified family member.

Qualified family members include anyone related to the original beneficiary by blood, marriage, or adoption.





ABOUT 529s

# Free Application For Federal Student Aid (FAFSA)

Please consult your tax advisor for specific tax planning and advice.

Parent owned 529 funds are assessed  
at a maximum of **5.64%**

Ex. With \$10,000 in Ohio's 529 Plan, only \$564 would be counted  
against one's eligibility for need-based federal financial aid

Student owned 529 funds are assessed  
at up to **20%** of value

Beginning in 2024-2025 academic year,  
529 funds owned by anyone else do not  
count on FAFSA



ABOUT 529s

# 529s & Effect On Financial Aid

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Minimal effect on financial aid

Please consult your tax advisor for specific tax planning and advice.

Check with your specific school on how 529s may affect your financial aid package



Most aid comes in the form of loans (not grants), which must be paid back





Some aid comes in the form of scholarships or grants, which do not require pay back





WHICH OF OUR 2 PLANS IS BEST FOR YOU?

# Ohio Direct vs. Ohio Advisor Plan

Compare/Contrast	Direct 	Advisor 
Enrollment Fee	No	No
Annual Account Maintenance Fee	No	Waived for Ohio residents
Amount to Open Account	\$25 (\$500 for 5/3 529 CDs)	\$25
FDIC Insurance Banking	Only on 5/3 529 Savings & CDs	N/A
Providers of Investment Options	Vanguard, Dimensional Fund	BlackRock, iShares, Wells Fargo
Financial Advice Provided	No, participant directed (use our tools to map out personal goals at <a href="https://CollegeAdvantage.com/calculators-and-tools">CollegeAdvantage.com/calculators-and-tools</a> )	Yes, access through a financial advisor
Financial Advisor Access to Account	Yes, with explicit written permission from account owners	Yes, account owners open accounts & transacts with financial advisors

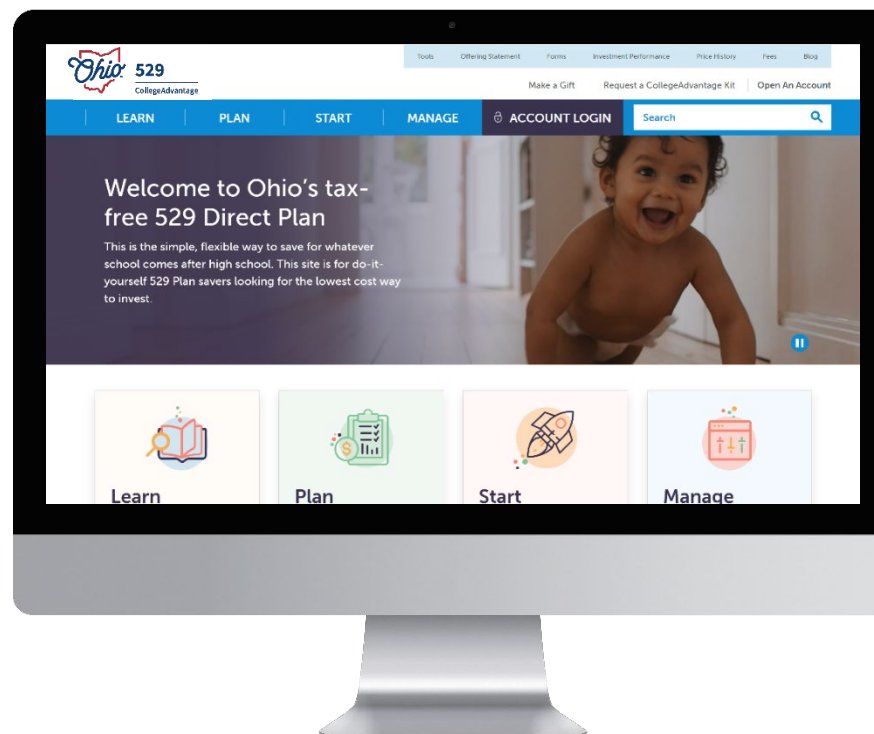


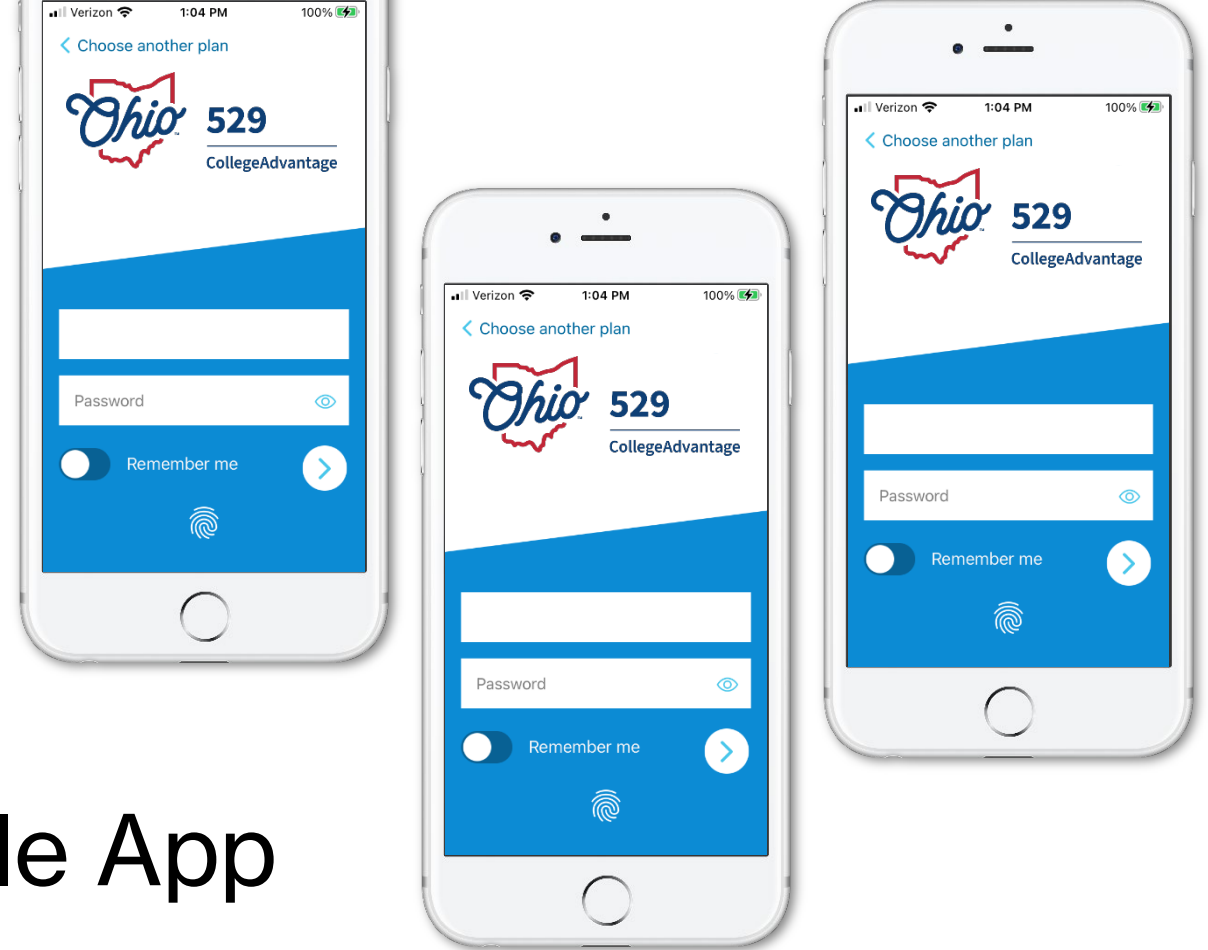
ENTRUSTED WITH OVER 675,000 FUTURES

# Ready To Start?

Enroll online or download your CollegeAdvantage kit today!

Visit **CollegeAdvantage.com** or call 1-800-AFFORD-IT (233-6734)





BENEFITS OF 529

# READYSAVE 529 Mobile App

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Developed in conjunction with our recordkeeping partner, Ascensus

Access accounts, review performance, see how you compare to other savers & most importantly make contributions from your cell phone any time

ABOUT 529s

# Free Application For Federal Student Aid (FAFSA)



Parent owned 529 funds are assessed at a maximum of 5.64%

5.64%

With **\$10,000** in Ohio's 529 Plan, only **\$564** would be counted  
against one's eligibility for need-based federal financial aid



Student owned 529 funds are assessed at up to 20% of value



529 funds owned by anyone else do no count on FAFSA



ABOUT 529s

# 529s & Effect On Financial Aid

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No effect on scholarships

Minimal effect on financial aid





BENEFITS OF 529

# 529s Are Tax-Free



**TAX-FREE**

Plans grow  
tax free!



**TAX-FREE**

Funds are tax free when  
used for higher education!



**TAX-FREE**

Withdrawals are  
tax free!



BENEFITS OF 529: TAXES. TAXES. AND TAXES.

# State Of Ohio Tax Deduction

\$4000 tax deduction per beneficiary per year

Unlimited carryforward

Deduction is for any state of Ohio resident

UP TO  
**\$4,000**  
OHIO  
TAX DEDUCTION



UP TO  
**\$4,000**  
OHIO  
TAX DEDUCTION



**PER BENEFICIARY**



ABOUT 529s

# How To Start Your Plan

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**\$25** is all it takes to start or add to Ohio's 529 Plan, CollegeAdvantage. Save up to **\$17,000** annually per child before gift taxes apply. Use the tools at [CollegeAdvantage.com/calculators-and-tools](https://CollegeAdvantage.com/calculators-and-tools)



ABOUT 529s

# Created To Make College More Affordable

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Named after Section 529 of the Internal Revenue Code

Allows states and qualified educational institutions  
to offer 529 plans



ABOUT 529s

# Created To Make College More Affordable

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Investment earnings grow tax-free

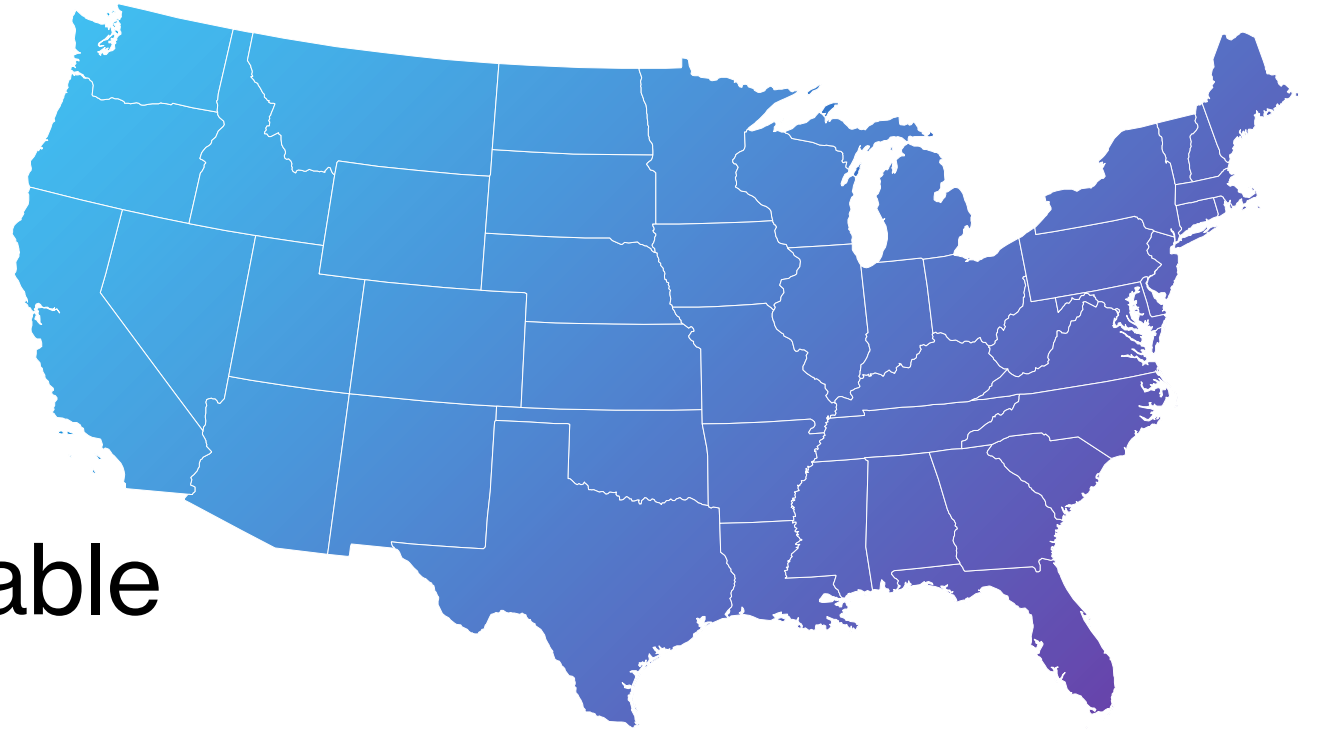
Withdrawals are not taxed when used for qualified expenses



ABOUT 529s

# Created To Make College More Affordable

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Pick from any plan in the country

Each state determines the kind of plans it offers and how they are structured:

- Variable savings plans (mutual fund-based investments)
- Prepaid tuition plans (only a few states offer these)



BENEFITS OF 529

# Save In Ohio's 529 Plan Go To College In Any State

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Use the funds at any kind of school  
in-state or out-of-state





OHIO'S 529 PLAN, COLLEGEADVANTAGE

# One Of The Nation's Top-Rated Plans



## 2 VARIABLE PLANS

Ohio offers two plans; both are variable savings plans



## 7<sup>TH</sup> LARGEST

Ohio is the seventh largest state sponsor of 529 plans in the country



## OTTA

Administered by the Ohio Tuition Trust Authority



## ODHE

OTTA is a state agency under the Ohio Department of Higher Education



## 11-MEMBER BOARD

Investments overseen by an 11-member board



## PROFESSIONAL

Professional investment management by leading financial firms

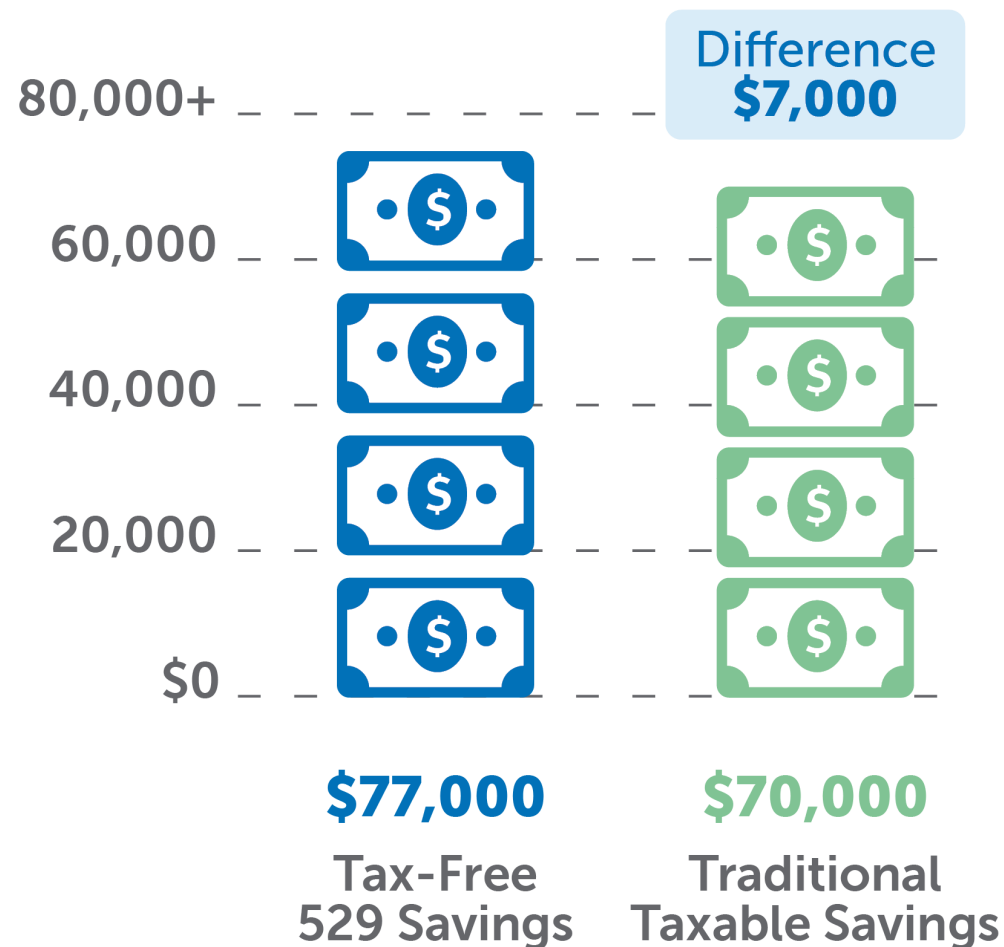


BENEFITS OF 529: TAXES. TAXES. AND TAXES.

# Compounding Power Of Tax-Free Growth

Time is a saver's best friend...  
Save small amounts over time to reach your goal

Assumptions: approximately \$2,500 per year for 18 years, 6% annual earnings, 12% federal tax rate, and 6% state tax rate.  
Data is estimate and rounded. Estimated using the Tax Benefit Tool at CollegeAdvantage.com



**K-12 TUITION**  
Up to \$10,000 for  
private or religious schools



BENEFITS OF 529

# More Ways To Use 529s



**STUDENT LOAN REPAYMENT**  
Maximum of up to \$10,000



WHICH OF OUR 2 PLANS IS BEST FOR YOU?

# CollegeAdvantage Direct 529



- No enrollment fee or annual account maintenance fee
- Diverse options for every kind of saver
- Open an account for as little as \$25  
(\$500 for Fifth Third 529 CDs)
- FDIC banking products through Fifth Third Bank
- Stocks & bonds from leading mutual fund managers like Vanguard





WHICH OF OUR 2 PLANS IS BEST FOR YOU?

# BlackRock CollegeAdvantage Advisor 529

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**BlackRock 529**  
CollegeAdvantage

- Accounts opened through a professional financial advisor
- Open an account for as little as \$25
- No annual account maintenance fee for Ohio account owners
- Offered and managed by the world's largest investment firm, BlackRock





ABOUT 529s

# 529s & Eligibility For Federal Financial Aid

529 account owned by a parent for  
a dependent student – *minimal effect*



Custodial 529 accounts, funded from  
proceeds of a UTMA or UGMA account  
and Trust accounts – *minimal effect*



Student-owned 529 account  
– *significant effect*

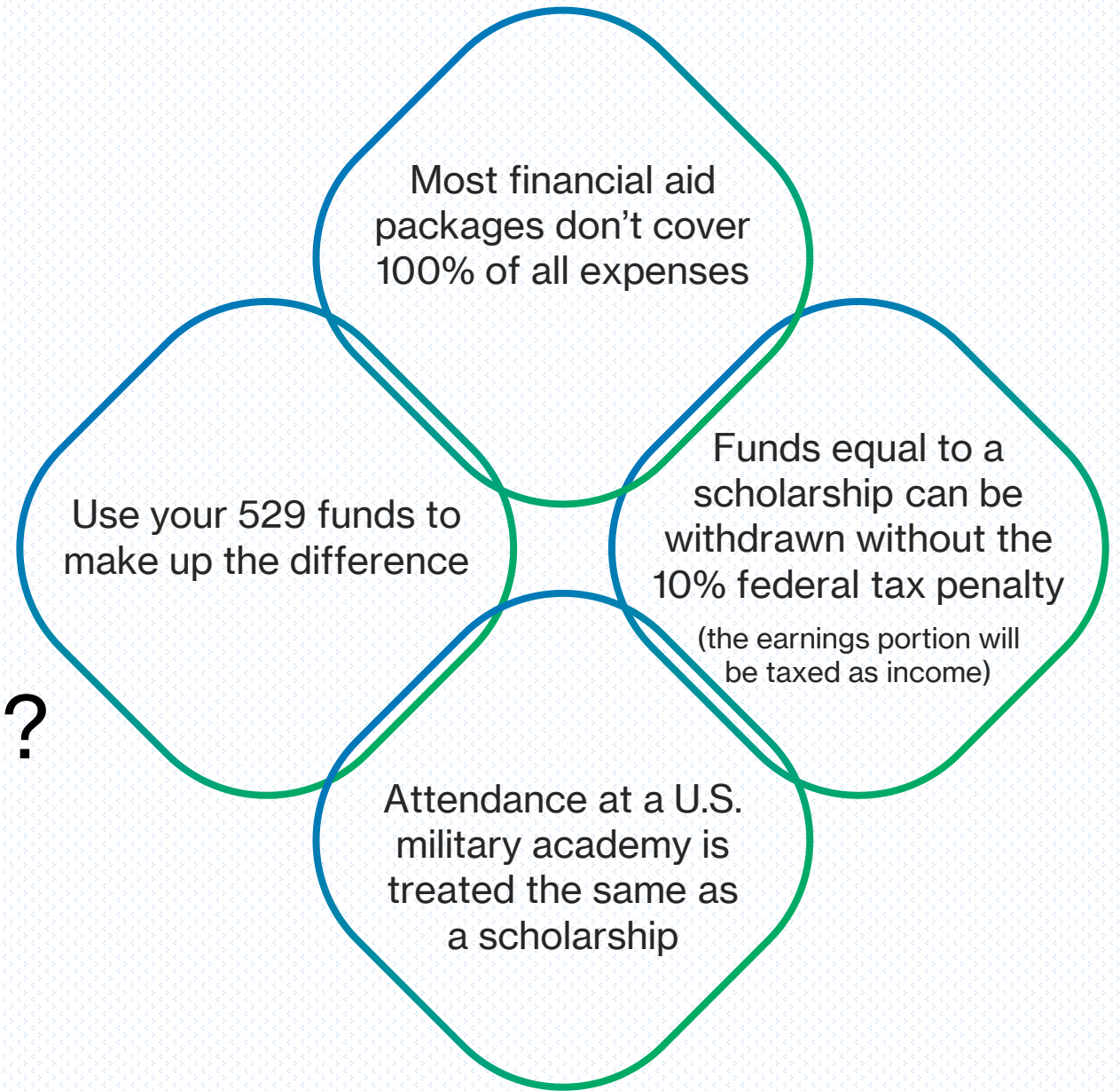




ABOUT 529s

# What If My Child Gets A Scholarship Or Grant?

Even with a 529, your child can still apply for most scholarships and grants





ABOUT 529s

# What If My Child Doesn't Attend College?



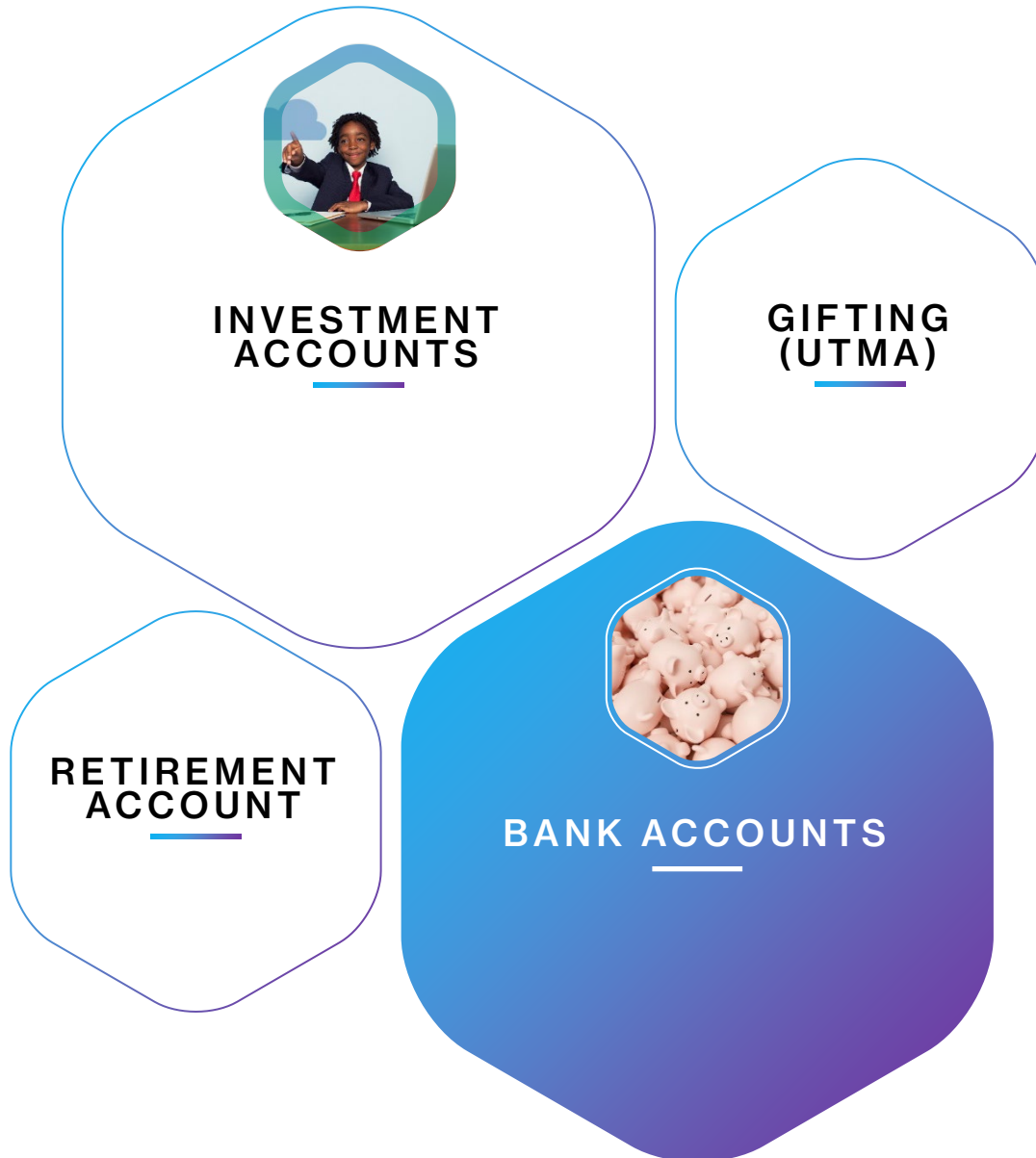
Leave the funds for  
later use



Transfer all or part  
of the funds to another  
family member



Withdraw the money  
(10% federal tax penalty only on  
the earnings will be due)



ABOUT 529s

# What About Other Ways To Save?

Traditional bank accounts

Traditional investment accounts

Gifting the money to your child (UTMA)

Borrowing from retirement account

THE GIFT OF HIGHER EDUCATION

# What About Gifting?

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Contribute to an  
existing account online



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Open a 529  
for someone else



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Send gift announcements  
with your 529 gift



THE GIFT OF HIGHER EDUCATION

# What About Gifting?

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A CollegeAdvantage 529 is the perfect way for grandparents, extended family, and friends to have an impact on your child's future



**BIRTHDAYS**



**HOLIDAYS &  
SPECIAL OCCASIONS**



**GRADUATIONS &  
ACHIEVEMENTS**

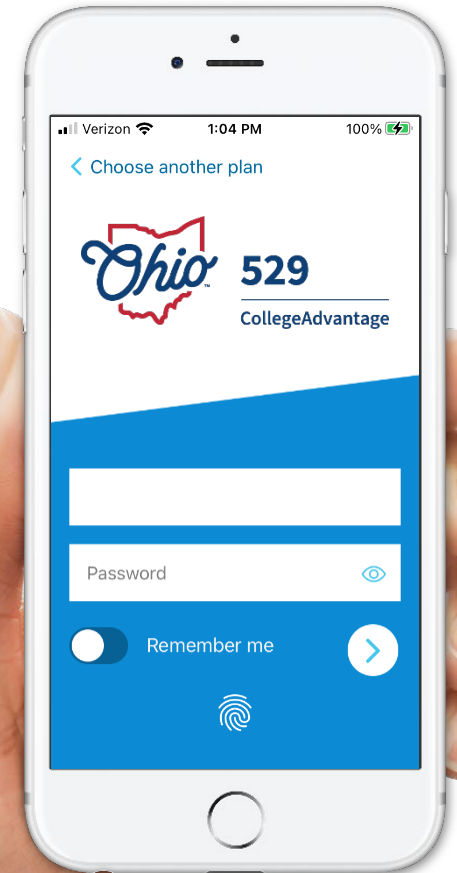


NEW!

# READYSAVE 529 Mobile App

Developed in conjunction with our recordkeeping partner,  
Ascensus

Access & make contributions to your CollegeAdvantage  
Direct 529 account from your cell phone any time



# Resources List

FOR 529s & COLLEGE PLANNING

**01** | **OHIO'S 529 PLAN  
COLLEGEADVANTAGE**  
[CollegeAdvantage.com](http://CollegeAdvantage.com)  
1-800-AFFORD-IT (233-6734)

**02** | **LEARN ABOUT &  
COMPARE 529 PLANS**  
[CollegeSavings.org](http://CollegeSavings.org)  
[SavingForCollege.com](http://SavingForCollege.com)

**03** | **COLLEGE PLANNING &  
CAREER RESEARCH**  
[OhioHigherEd.org](http://OhioHigherEd.org)  
[OhioMeansJobs.com](http://OhioMeansJobs.com)

**04** | **FEDERAL STUDENT AID,  
FAFSA & MORE**  
[StudentAid.gov](http://StudentAid.gov)  
[Fafsa.gov](http://Fafsa.gov)

**05** | **OTHERS WHO CAN  
ASSIST**  
Middle- & high-school counselors  
College financial aid officers &  
admissions representatives

**06** | **TAXES, ESTATE &  
FINANCIAL PLANNING**  
Consult your tax accountant,  
financial planner, or legal counsel



529

CollegeAdvantage

# Thank You!

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Currently over 675,000 customers have trusted Ohio 529 with over \$17.5 billion.

Learn more & enroll at [CollegeAdvantage.com](https://CollegeAdvantage.com)

1-800-AFFORD-IT (233-6734)



CollegeAdvantage is a 529 college savings plan offered and administered by the Ohio Tuition Trust Authority, an office within the Ohio Department of Higher Education. Before investing, please read the Offering Statement and all Supplements carefully and consider risks, fees, your investment objectives, and other relevant factors, before investing. If you are not a taxpayer in the state of Ohio, you should consider whether your home state offers any state tax or other benefits for investing in its 529 plan. Other than the Fifth Third investment options (banking options), money contributed to an account is not a bank deposit and is not insured by the FDIC or guaranteed in any way. Except for contributions invested in banking options, participants assume all investment risk related to the CollegeAdvantage Direct Plan, including the potential loss of principal (the money you contribute to an account). Contributions invested in banking options are an obligation of Fifth Third Bank and are insured by the FDIC, subject to certain limitations.