

529 Qualified Tuition Plans & Prepaid Tuition Plans

The following should not be considered tax or investment advice; please consult your personal tax or investment professionals.

While scholarships and grants are excellent, they usually will not bring down your Net Cost to zero. Tax-advantaged savings plans can help families save money and prevent student indebtedness.

[A recent survey](#) shows a majority of parents have saved less than \$10,000 for college. According to [The Education Plan](#), students are four times more likely to graduate college if their 529 plan has only \$500. [Learn more reasons why](#) you should join the 14% of families who use them to pay for college. [The earlier you begin](#) investing, the more your plan can compound, tax-free. [Here are some suggestions](#) how to be more successful at saving in a 529 account. Currently, 14 million accounts exist, with an average \$25,000 saved.

Because you are not required in your own contribute to your state's plan, it's worth comparing your options. Some states even offer multiple options. Some plans are sold directly by the state while others are sold through advisors, who may charge service fees.

Some plans allow non-residents to pay in-state tuition. Many plans allow friends and family to contribute online or by mail. Each plan has varying minimum initial investments and contributions, but several plans can begin with only \$25. If a child chooses not to attend college, plan beneficiaries can be changed to other children or grandchildren. Some have specific enrollment periods each year. Admission to applicable schools is not guaranteed. [Read more on 529 plan rules here.](#)

The two types of **529 plans**:

Qualified Tuition Plans | Investments grow tax-free and can be withdrawn tax-free for educational expenses like tuition, room and board, and required textbooks. Many states offer [529 Qualified Tuition Plans](#) (click this list for websites and details of plans in each state.)

Prepaid Tuition Plans | Families can prepay some or all of the in-state public tuition expense, locking in the tuition rate at time of payment. Some states offer [Prepaid Tuition Plans](#), which allow students and families to pre-purchase college credits at qualified institutions (click this list for websites and some details of plans in these states.) A [Private College 529 Plan](#) (not state-restricted) also offers prepaid tuition options at nearly 300 private institutions.

[Learn about some risks of prepaid plans here.](#) It's important to keep in mind that 529 plan savings can affect financial aid by increasing your student's Expected Family Contribution, calculated using the [Free Application for Federal Student Aid](#) (FAFSA). Withdrawals must be used for [qualified educational expenses](#) (not travel costs), and occur in the same year as the expenses. As of December 2019, 529 plans are also allowed to pay up to \$10,000 of student loans during an individual's lifetime. Consult your financial advisor with questions.

Other great, but underutilized college saving vehicles are [Roth IRAs](#) and [Coverdell ESAs](#) (work similarly to 529 plans), and you can invest in these, in addition to 529 plans, to save for college expenses.

529 Qualified Tuition Programs by State

State	Plan Website	State Tax Benefit for Contributions?	Min \$ Contribution	Max \$ Contribution
Alabama	CollegeCounts	\$5,000 (\$10,000 if married)	none	\$475,000
Alaska	University of Alaska College Savings Plan	No state income tax	\$25/month	\$475,000
Arizona	Arizona Family College Savings Plan	\$2,000 single or head of household/\$4,000 joint (any state plan)	\$50	\$494,000
Arkansas	GIFT College Investing Plan	\$5,000 single/\$10,000 joint	\$25 one-time or \$10/month recurring	\$366,000
California	ScholarShare529	No	none	\$529,000
Colorado	Collegelvest Direct Portfolio	Full amount of contribution	\$25, or \$15/pay period	\$400,000
Connecticut	Connecticut Higher Education Trust (CHET)	\$5,000 single/\$10,000 joint, 5-year carry forward on excess contributions	\$25, or \$15/pay period	\$300,000
Delaware	Delaware College Investment Plan	No	\$50, or \$15/month auto invest	\$350,000
District of Columbia	DC 529 College Savings Plan	\$4,000 single/\$8,000 joint, above the line exclusion from income	\$25	\$500,000
Florida	Florida 529 Savings Plan	No state income tax	none	\$418,000
Georgia	Path2College 529 Plan	\$2,000 single/\$4,000 joint	\$25, or \$15/pay period	\$235,000
Hawaii	Hawaii's College Savings Program	No	\$15	\$305,000
Idaho	Idaho College Savings Program (ideal)	\$6,000 single/\$12,000 joint	\$25, or \$15/pay period	\$500,000
Illinois	Bright Start College Savings Program	\$10,000 single/\$20,000 joint	none	\$400,000
Indiana	CollegeChoice 529 Direct Savings Plan	20% tax credit (\$1,000 maximum credit)	\$10	\$450,000
Iowa	College Savings Iowa 529 Plan	\$3,439 single/\$6,878 joint	\$25, or \$15/pay period	\$420,000
Kansas	Learning Quest 529 Education Savings Program	\$3,000 single/\$6,000 joint	none	\$418,000
Kentucky	Kentucky Education Savings Plan Trust	No	\$25, or \$15/pay period	\$350,000
Louisiana	START Savings Program	\$2,400 single/\$4,800 joint	\$10	5x annual Qualified Higher Ed expenses at highest cost LA university (Aug 1)
Maine	NextGen College Investing Plan	No	\$25, or \$25/month auto pay	\$500,000
Maryland	Maryland529	up to \$2,500/account	\$25, or \$25/month auto pay	\$500,000
Massachusetts	MEFA U.Fund College Investing Plan	\$1,000 (\$2,000 if married)	none	\$375,000
Michigan	Michigan Education Savings Program	\$5,000 single/\$10,000 married	\$25, or \$15/pay period	\$500,000
Minnesota	Minnesota College Savings Plan	\$1,500/\$3,000 married	\$25, or \$15/pay period	\$425,000
Mississippi	Mississippi Affordable College Savings (MACS) Plan	\$10,000 single/\$20,000 married	\$25, or \$15/pay period	\$235,000
Missouri	MOST 529 College Savings Plan	\$8,000/\$16,000 married	\$0	\$325,000
Montana	Montana Family Education Savings Program	\$3,000/\$6,000 married	\$25, or \$15/pay period	\$396,000

529 Qualified Tuition Programs by State

State	Plan Website	State Tax Benefit for Contributions?	Min \$ Contribution	Max \$ Contribution
Nebraska	Nebraska Education Savings Trust – Direct College Savings plan	up to \$10,000 married (in any state)	none	\$400,000
Nevada	Nevada College Savings Plans (various plans available)	No	\$15+ depending on plan. College Kick Start gives initial \$50 for kindergarteners; more for low-income	\$370,000
New Hampshire	UNIQUE College Investing Plan	No	none	\$522,000
New Jersey	NJ BEST College Savings Plan	No	\$25	\$305,000
New Mexico	The Education plan	Full amount of contribution, above the line exclusion from income	none	\$500,000
New York	New York's 529 College Savings Program	\$5,000 single/\$10,000 joint, above the line exclusion from income	none	\$520,000
North Carolina	College Foundation of North Carolina	No	\$25, \$25 additional	\$450,000
North Dakota	College SAVE	\$5,000 single/\$10,000 joint	\$25, \$25 additional. New Baby Match can add up to \$200	\$269,000
Ohio	Ohio CollegeAdvantage 529 Savings plan	\$4,000 per beneficiary per contributor or married couple, above the line exclusion from income, unlimited carry forward of excess contributions	\$25	\$462,000
Oklahoma	Oklahoma College Savings plan	\$10,000 single/\$20,000 joint per beneficiary, above the line exclusion from income, five-year carry forward of excess contributions	\$100 initial, \$25 recurring or \$15/pay period	\$300,000
Oregon	Oregon College Savings plan	up to \$150 single/\$300 joint tax credit	\$25, or \$15/pay period	\$400,000
Pennsylvania	PA 529 Guaranteed Savings Plan (GSP) or Investment Plan (IP)	\$15,000 single/\$30,000 joint	\$15 GSP, \$25 ISP	\$511,758
Rhode Island	CollegeBound Fund	\$500 single/\$1,000 joint, above the line exclusion from income, unlimited carry forward of excess contributions	none	\$395,000
South Carolina	Future Scholar 529 College Savings plan	Full amount of contribution, above the line exclusion from income	none by check/\$25 electronic	\$500,000
South Dakota	College Access 529	No state income tax	\$1,000, \$50 monthly auto pay	\$350,000
Tennessee	TN Stars College Savings 529 Program	No	\$25 (up to \$500/year match grant program for 3 years)	\$350,000

529 Qualified Tuition Programs by State

State	Plan Website	State Tax Benefit for Contributions?	Min \$ Contribution	Max \$ Contribution
Texas	Texas College Savings Plan	No state income tax	\$25, or \$15/pay period	\$500,000
Utah	my529 (Utah Educational Savings Plan)	5% tax credit on contributions of up to \$2,000 single/\$4,000 joint per beneficiary (credit of \$100 single/\$200 joint)	none	\$485,000
Vermont	Vermont Higher Education Investment plan	10% tax credit on up to \$2,500 single/\$5,000 joint, on contributions (up to \$250/\$500 per beneficiary)	\$25, or \$15/pay period	\$352,800
Virginia	Virginia529 inVEST	\$4,000 per account per year (no limit age 70+), above the line exclusion from income, unlimited carry forward of excess contributions	\$25	\$500,000
Washington	WA529 (Washington College Savings Plans)	No state income tax	\$25	\$500,000
West Virginia	SMART529 WV Direct College Savings plan	Full amount of contribution up to income, above the line exclusion from income, 5-year carry forward of excess contributions	\$0, \$50 (\$250 for non-residents) depending on plan; \$0/25 ongoing	\$400,000
Wisconsin	Edvest College Savings plan	\$1,640 single/\$3,280 joint, above the line exclusion from income	\$25, or \$15/pay period	\$505,000
Wyoming	WYABLE (partnered with Ohio; must have diagnosed disability)	No state income tax	\$50	\$462,000

Additional Useful Websites

Private Colleges	https://www.privatecollege529.com	
Ugift	https://www.ugift529.com	(contribution program to any 529 account)
Upromise	https://www.upromise.com	(matching program to any 529 account)
College Savings Plans	https://www.collegesavings.org	
Plan Ratings by Kiplinger's Finance	https://www.collegecounts529.com/the-best-college-savings-plans-2017	
529 Plan State Tax Calculator (Merrill Edge)	https://content.sharefc.com/ondemand/analytics/compute.vm?hnd=38&client=ml	
Tax Benefits for Your State (NEST)	https://www.nest529advisor.com/home/learn/tax-advantages/state-tax-benefits.html	

Prepaid Tuition Plans by State

March 2019

State	Plan Website	State Tax Benefit?	Guaranteed?	Min \$ Contribution	Max \$ Contribution
Alabama	closed 2008				
Alaska	replaced with University of Alaska College Savings plan (529)				
Arizona	none				
Arkansas	none				
California	none				
Colorado	closed 2013				
Connecticut	none				
Delaware	none				
District of Columbia	none				
Florida	Florida Prepaid College plan	No state income tax	backed by state	none	120 credit hours, up to 8 semesters of university housing
Georgia	none				
Hawaii	none				
Idaho	none				
Illinois	College Illinois! 529 Prepaid Tuition Program not currently open				
Indiana	none				
Iowa	none				
Kansas	none				
Kentucky	closed 2004				
Louisiana	none				
Maine	none				
Maryland	College Savings Plans of Maryland – Prepaid College Trust	up to \$2,500/year (excess in future years)	legislative guarantee (doesn't ensure funding shortfalls)	depends on plan; Save4College State Contribution Program helps match funds for low-middle income families	up to 7 years at a four-year college
Massachusetts	Massachusetts U.plan	\$1,000 single/\$2,000 joint	backed by state	\$300/maturity year (enroll annually in May/June)	up to 100% of college expenses

Prepaid Tuition Plans by State

March 2019

State	Plan Website	State Tax Benefit?	Guaranteed?	Min \$ Contribution	Max \$ Contribution
Michigan	Michigan Education Trust	amount paid in year	No	one credit hour (rate depends on plan)	150 credit hours (pas-as-you-go) or 10
Minnesota	none				
Mississippi	Mississippi Prepaid Affordable College Tuition (MPACT) Program	Yes	backed by state	depends on plan (semester: \$267.19/hr or \$102.97/hr; quarter: \$178.13/hr or \$68.64/hr)	160 credit hours
Missouri	none				
Montana	none				
Nebraska	none				
Nevada	Nevada Prepaid Tuition Program	No state income tax	No	\$1,000	120 credit hours
New Hampshire	none				
New Jersey	none				
New Mexico	closed 2002				
New York	none				
North Carolina	none				
North Dakota	none				
Ohio	closed 2003				
Oklahoma	none				
Oregon	none				
Pennsylvania	Pennsylvania 529 Guaranteed Savings plan	Any state's plan	No	\$15	GSP credit rate schedule varies by institution
Rhode Island	none				
South Carolina	closed 2006				
South Dakota	none				
Tennessee	closed 2010				
Texas	closed 2003				
Utah	none				
Vermont	none				
Virginia	Virginia529 prePAID	Yes	legislative guarantee (doesn't ensure funding shortfalls)	\$25	10 semesters (pricing varies by age)
Washington	Washington Guaranteed Education Tuition (GET)	No state income tax	backed by state	one unit (\$113 through June 25, 2019)	800 units
West Virginia	closed 2003				
Wisconsin	closed 2002				

Prepaid Tuition Plans by State

March 2019

State	Plan Website	State Tax Benefit?	Guaranteed?	Min \$ Contribution	Max \$ Contribution
Wyoming	closed 1995				
Private Colleges	https://www.privatecollege529.com/OFI529/	Depends on residency	Participating institutions guarantee for 30 years from date of purchase.	\$500 in two years	\$276,050