

Financial Planning

The Earlier The Better For College Savings

(NAPSA)—Not only does a college education expand the mind and open the door to added opportunities, it can earn a graduate \$1 million more over a lifetime than a high school graduate, according to national reports.

However, with the cost of a college education rising faster than inflation each year, many families wonder how they will pay for it.

The answer is to begin saving through a 529 college savings plan early. Through state plans, such as the Florida College Investment Plan, families can accumulate significant savings.

“With a 529 plan, families have a financial tool to save for future college expenses,” said Ted Hoepner, Chairman of the Florida Prepaid College Board. “While college seems expensive, through a dedicated investment schedule, a higher education is attainable.”

The Florida College Investment Plan is a college savings program, authorized by Section 529 of the Internal Revenue Code, which allows the money you contribute to grow tax-deferred. The Florida College Investment Plan has no residency requirements and permits anyone to invest. However, for those not residing in Florida, other states may offer in-state plans that grant tax and other benefits to residents. It is recommended that you consult a tax advisor before investing in any state’s 529 plan.



By starting early and contributing to a tax-deferred savings plan, it's possible to make college costs more manageable.

When the student is ready for college, withdrawals for qualified college expenses are exempt from federal income tax.

When your child is ready to enter college, your savings can pay for qualified educational expenses such as tuition, dormitory, books and off-campus housing at any eligible education institution.

Families may enroll in 529 plans at any time and some states make investing easy. For example, families may enroll in the Florida College Investment Plan for as little as \$25 per month through automatic withdrawals from a checking or savings account.

To learn more about the Florida College Investment Plan, visit www.florida529plans.com/savings or call toll free (800) 552-GRAD.