



529 plans and state tax benefits

Tax benefits by state

Ohio

Ohio residents may take advantage of additional state tax benefit with the BlackRock CollegeAdvantage 529 Plan (up to \$4,000 per contributor or married couple can be deducted per beneficiary with unlimited carry-forward).

Tax parity states

Arizona, Kansas, Minnesota, Missouri, Montana, Pennsylvania

These states offer a tax deduction for contributing to any 529 plan including out-of-state plans, which may be more attractive than the in-state option.

Tax neutral states

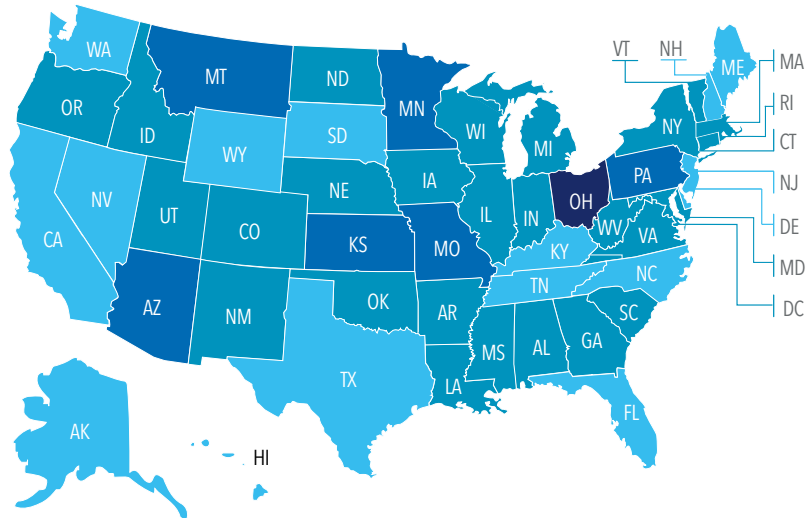
Alaska, California, Delaware, Florida, Hawaii, Kentucky, Maine, Nevada, New Hampshire, New Jersey, North Carolina, South Dakota, Tennessee, Texas, Washington, Wyoming

These states offer no state tax deduction for 529 plan contributions, which means there may be no added benefit to selecting an in-state plan.

All other states

These states offer potential tax breaks on contributions made only to in-state 529 plans.

529 college savings plans allow you to invest and grow your assets free from federal and state taxes with tax-free withdrawals for qualified educational expenses.¹ In addition, many 529 plans offer investors tax benefits at the state level, which makes your goal of paying for college even more achievable.²



■ Tax parity ■ Tax neutral ■ In-state tax benefits ■ Program home state

It pays to do your homework

Since you can invest in any state’s 529 investment plan and many plans offer additional benefits, it’s important to consider all of your options. To help choose the plan that’s right for you, review plan features with your financial and tax advisors.³

Already have a 529 account?

Existing 529 accounts from the following state plans can be rolled into the BlackRock CollegeAdvantage 529 Plan without forfeiting the tax deduction already taken: CT, DC, LA, MD, MI, MS, OK, OR, RI, SC, VT and WV.⁴

To learn more about the BlackRock CollegeAdvantage 529 Plan, speak with your Financial Advisor or visit blackrock.com/collegeadvantage.

¹ Alabama law does not exempt distributions from a non-Alabama 529 plan. ² Earnings on non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty, as well as state and local income taxes. ³ BlackRock does not provide tax, accounting or legal advice and clients are advised to consult qualified professionals for such needs. ⁴ Every state treats rollovers differently so consult the state tax laws of the contributor’s taxpaying residence to see how it may apply to each situation.

529 plan tax benefits by state, as of January 2018

State	Maximum annual state income tax benefit	Who qualifies	Carry forward ¹	State tax rate ²	State tax savings ³
Alabama	\$5,000 ⁴ , \$10,000 ⁵	Any contributor		5.00%	\$500
Arizona	\$2,000 ⁴ , \$4,000 ⁵	Any contributor		4.54%	\$182
Arkansas	\$5,000 ⁴ , \$10,000 ⁵	Any contributor	4 years	6.90%	\$690
Colorado	Full contribution amount, up to contributor's taxable income	Any contributor		4.63%	\$463
Connecticut	\$5,000 ⁴ , \$10,000 ⁵	Any contributor	6 years	6.99%	\$699
D.C.	\$4,000 ⁴ , \$8,000 ⁵	Acct owner only	5 years	8.95%	\$895
Georgia	\$2,000 ⁴ , \$4,000 ⁵	Any contributor, per beneficiary		6.00%	\$120
Idaho	\$6,000 ⁴ , \$12,000 ⁵	Any contributor		7.40%	\$592
Illinois	\$10,000 ⁴ , \$20,000 ⁵	Any contributor		3.75%	\$375
Indiana	20% tax credit on contributions up to \$5,000; maximum credit is \$1,000	Any contributor	Credit	3.30%	\$1,000
Iowa	\$3,239 ^{4,6} , \$6,478 ^{5,6}	Acct owner only, per beneficiary		8.98%	\$582
Kansas	\$3,000 ⁴ , \$6,000 ⁵	Any contributor, per beneficiary		4.60%	\$276
Louisiana	\$2,400 ⁴ , \$4,800 ^{5,7}	Any contributor, per beneficiary	Unlimited	6.00%	\$288
Maryland	\$2,500	Any contributor, per beneficiary	10 years	5.75%	\$575
Massachusetts	\$1,000 ⁴ / \$2,000 ⁵ through 2021	Any contributor		5.10%	\$102
Michigan ⁸	\$5,000 ⁴ , \$10,000 ⁵	Any contributor		4.25%	\$425
Minnesota ¹¹	\$1,500 ⁴ , \$3,000 ⁵	Any contributor		9.85%	\$296
Mississippi	\$10,000 ⁴ , \$20,000 ⁵	Any contributor		5.00%	\$500
Missouri	\$8,000 ⁴ , \$16,000 ⁵	Acct owner/spouse only		6.00%	\$600
Montana	\$3,000 ⁴ , \$6,000 ⁵	Acct owner/spouse or custodian/parent		6.90%	\$414
Nebraska	\$10,000 ^{4,5} , \$5,000 if married filing separately	Acct owner or parents/guardians of uigma/utma accounts		6.84%	\$684
New Mexico	Full contribution amount	Any contributor		4.90%	\$490
New York	\$5,000 ⁴ , \$10,000 ⁵	Acct owner only		8.82%	\$882
North Dakota	\$5,000 ⁴ , \$10,000 ⁵	Any contributor		2.90%	\$290
Ohio	\$4,000 ^{4,5}	Any contributor, per beneficiary	Unlimited	5.00%	\$500
Oklahoma	\$10,000 ⁴ , \$20,000 ⁵	Any contributor	5 years	5.00%	\$500
Oregon	\$2,330 ^{4,6} , \$4,660 ^{5,6}	Any contributor	4 years	9.90%	\$990
Pennsylvania	\$14,000 ⁴ , \$28,000 ⁵	Any contributor, per beneficiary		3.07%	\$307
Rhode Island	\$500 ⁴ , \$1,000 ⁵	Acct owner only	Unlimited	5.99%	\$599
South Carolina	Full contribution amount	Any contributor		7.00%	\$700
Utah	5% tax credit on contributions up to \$1,920 ^{4,6} , \$3,840 ^{5,6} ; maximum credit is \$96 ^{4,5,6} , \$192 ^{5,6}	Acct owner only, per beneficiary ¹⁰	Credit	5.00%	\$190
Vermont	10% tax credit on contributions up to \$2,500 ⁴ , \$5,000 ⁵ ; maximum credit is \$250 ⁴ , \$500 ⁵	Acct owner only, per beneficiary	Credit	8.95%	\$500
Virginia	\$4,000 ^{4,5} ; fully deductible if age 70 or older	Acct owner only ⁹	Unlimited	5.75%	\$575
West Virginia	Full contribution amount	Any contributor		6.50%	\$650
Wisconsin ⁸	\$3,100 ^{1,4,5,6}	Any contributor, per beneficiary ⁹	Unlimited	7.65%	\$765

Source: BlackRock leveraging data from savingforcollege.com. **1** Some states allow taxpayers who contribute above the maximum annual tax deduction to carry forward excess contributions to future state income tax returns. State tax savings reflect full deduction of \$10,000 over the carry forward period. **2** Assumes joint tax filers in the maximum state tax bracket for 2017 and \$10,000 in 529 plan contributions. **3** If you itemize, state tax savings must be claimed as income on the following year's federal tax return. **4** Filing individually **5** Filing Jointly **6** Adjusted annually for inflation. **7** Certain deductions may be claimed each year for an account opened for needy, non-related beneficiaries meeting eligibility requirements. **8** Contributions are reduced by qualified withdrawals during the year for purposes of determining the amount that may be deducted. **9** Contributions from non-account owners are deductible by the account owner. **10** Beneficiary must be younger than age 19 when designated on account to claim tax credit or deduction. **11** Minnesota also offers a tax credit that can be used instead of a state tax deduction.

Want to know more?  blackrock.com/collegeadvantage  866-529-8582

The BlackRock CollegeAdvantage 529 Plan is offered to residents of all states. However, you should note that (i) depending on the laws of the state where you or your beneficiary live or pay state income taxes, favorable state tax treatment or other benefits offered by the applicable state for investing in qualified tuition programs may be available only for investments in such state's qualified tuition program, (ii) any state-based benefit offered with respect to a particular qualified tuition program should be one of many appropriately weighted factors to consider in making an investment decision and (iii) you should consult with your financial, tax or other advisers to learn more about how state tax and state-based benefits (such as financial aid, scholarship funds and protection from creditors that are only available for investments in such state's qualified tuition program) would apply to your specific circumstances and you may wish to contact your home state and your beneficiary's home state, or any other qualified tuition program, to learn more about the features, benefits and limitations of the applicable state's qualified tuition program.

BlackRock serves as the Investment Manager. **Investing involves risk, including possible loss of principal.** Account owners assume all investment risks as well as responsibility for any federal and state tax consequences. **For more information about the BlackRock CollegeAdvantage 529 Plan, contact your financial advisor who can call 1-866-529-8582 or visit blackrock.com/collegeadvantage to obtain a Program Description and Participant Agreement, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing or sending money.**

©2018 BlackRock, Inc. All Rights Reserved. **BLACKROCK** is a registered trademark of BlackRock, Inc. or its subsidiaries in the United States and elsewhere. All other trademarks are those of their respective owners.

Prepared by BlackRock Investments, LLC, member FINRA.

Not FDIC Insured • May Lose Value • No Bank Guarantee

Lit. No. 529-MAP-0118 74366-0118

BLACKROCK[®]

USR0118U-374925-1289890