



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

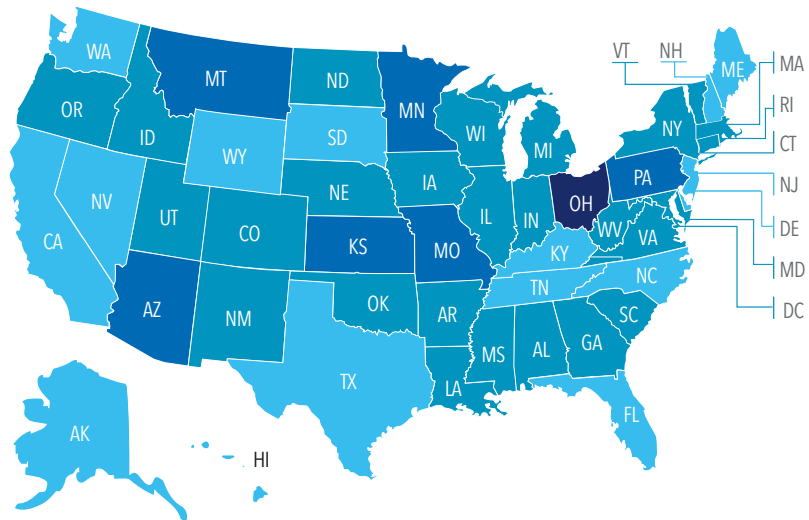
Alaska, California, Delaware, Florida, Hawaii, Kentucky, Maine, Nevada, New Hampshire, New Jersey, North Carolina, South Dakota, Tennessee, Texas, Washington, Wyoming

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 February 2019

| 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% | \$240 |
| Idaho | \$6,000 ⁴ , \$12,000 ⁵ | Any contributor | | 7.40% | \$740 |
| Illinois | \$10,000 ⁴ , \$20,000 ⁵ | Any contributor | | 4.95% | \$495 |
| Indiana | 20% tax credit on contributions up to \$5,000; maximum credit is \$1,000 | Any contributor | Credit | 3.23% | \$1,000 |
| Iowa | \$3,387 ^{4,6} , \$6,774 ^{5,6} | Acct owner only, per beneficiary | | 8.53% | \$578 |
| Kansas | \$3,000 ⁴ , \$6,000 ⁵ | Any contributor, per beneficiary | | 5.70% | \$342 |
| Louisiana | \$2,400 ⁴ , \$4,800 ^{5,7} | Any contributor, per beneficiary | Unlimited | 6.00% | \$288 |
| Maryland | \$2,500 ⁴ , \$5,000 ⁵ | 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 | | 5.90% | \$590 |
| 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 | 4.997% | \$500 |
| Oklahoma | \$10,000 ⁴ , \$20,000 ⁵ | Any contributor | 5 years | 5.00% | \$500 |
| Oregon | \$2,375 ^{4,6} , \$4,750 ^{5,6} | Any contributor | 4 years | 9.90% | \$990 |
| Pennsylvania | \$15,000 ⁴ , \$30,000 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 \$2,000 ^{4,6} , \$4,000 ^{5,6} ; maximum credit is \$100 ^{4,5,6} , \$200 ^{5,6} | Acct owner only, per beneficiary ¹⁰ | Credit | 5.00% | \$200 |
| 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 | \$3,200 ^{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 2018 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.**

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