



Grow your child's future.

Open a Maryland 529 investment plan to pay for your child's K-12 education expenses



What if you could open a simple investment account to save for your children's Catholic school tuition? **You can!**

The State of Maryland, in partnership with T. Rowe Price, allows Marylanders to invest in 529 savings accounts to help pay their children's K-12 tuition. Those who invest and pay for K-12 tuition with a Maryland 529 account enjoy tax-free growth and a state income tax deduction. You can use any leftover funds for college.

But wait... there's more!

What if we told you that the State of Maryland will also give income-eligible account holders a donation toward their savings? With the Maryland 529 state contribution plan, eligible Marylanders can receive up to \$500 per child from the state to kick start their account.

For more information on how to get the State to contribute to your child's education visit:
Maryland529.com/K-12

Frequently Asked Questions

What is a 529 plan?

A 529 plan is authorized by federal law but managed by each state. These plans are designed to allow for tax-advantaged investment for educational expenses, including K-12 tuition. 529 accounts, provide: a) federal and state tax-free growth and b) a Maryland state tax deduction up to \$2,500 per beneficiary. For example, if you are married with three children and both you and your spouse contribute \$2,500 to separate accounts for each child, you and your spouse could each deduct \$7,500.

Who can open a Maryland 529 Account for K-12 education?

Any Maryland taxpayer can open an account and name a beneficiary. This includes parents, grandparents, other family members, and friends of beneficiaries.

Can you open more than one account?

Yes! Any person can open separate accounts for as many individual beneficiaries as they want. For example, a father with three children can open a separate account for each child and a grandparent can open a separate account for each of those three children, as well.

How do I open an account?

It's easy! Just go to Maryland529.com and enroll in the Maryland College Investment Plan. Don't be fooled by the name. You can use these plans to pay for K-12 education as well as college.

Can others donate to a 529 account?

Yes! There is a "Gifting Portal" through the Maryland 529 website. Anyone may contribute to a 529 plan for any individual beneficiary — this includes grandparents, other relatives, friends, or whoever else wants to contribute to your child's account. If the donor is a Maryland taxpayer, they can claim up to a \$2,500 annual deduction from state income taxes for contributions into a Maryland 529 plan account, even if it's not their own.

If I already have a 529 account for college savings, can I use that account to pay for K-12 education?

Yes! However, you should still discuss that with your financial advisor.*

How do I use my account to pay for K-12 education expenses, including tuition?

Simply log into your account and request a distribution. You can choose to receive a check or a direct deposit of your funds to pay toward tuition and other expenses.

How much can be used annually toward K-12 expenses?

For each individual student, you can use up to a maximum of \$10,000 per year for K-12 education expenses. These funds can come from various accounts for which that student is a beneficiary, but cannot total more than \$10,000 combined.

Are there income limitations for participating in a 529 plan?

No, there are no income limits for participating in a 529 plan, or for benefiting from its tax benefits.

Where can I find out more about using Maryland529 for K-12 education?

Visit Maryland529.com/K-12 for more information.

** Nothing herein constitutes tax advice. Please consult a tax professional regarding any and all tax deductions or other tax planning, including changes to existing laws and limitations.*

