

529 Quarterly

Third Quarter 2024

Reach Peak Tax Savings by Dec. 31

Parking funds in your 529 plan has plenty of perks, but yearly tax savings are the pinnacle. As an Illinois taxpayer, contributions made to your Bright Directions account this year can be eligible for a 2024 Illinois' deduction: \$10,000 as an individual taxpayer or \$20,000 for a married couple filing jointly.¹ Maximize your tax savings with two different ways of boosting your funds before year's end.

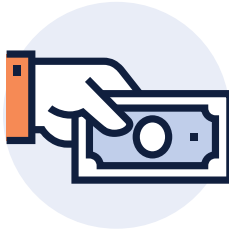


Roll Over an Out-of-State Plan

If you live in Illinois and have a 529 plan in a different state, transferring it into your Bright Directions account by December 31, 2024, could help you save come tax season. With a rollover from a non-Illinois 529 plan, the total amount of the contribution portion rolled over (but not the earnings portion) is eligible for the Illinois state income tax deduction.² When considering a rollover, make sure to meet with your tax advisor to review any potential recapture of tax deductions, as well as any penalties or charges that apply.



[Read Up on Rollovers](#)



Make More Contributions

Illinois taxpayers who contribute to a 529 plan for a loved one — parents, grandparents, and others — can be eligible for Illinois' state income tax benefit. Contributions received by Bright Directions on or before December 31, 2024 (December 2024 postmark counts) will help you maximize your savings come tax season.



[Contribute Now](#)

Talk with your advisor about capitalizing on year-end contributions or a 529 rollover.



Don't Miss the Deadline for Reimbursements

If you paid for qualified college expenses in 2024 and need a reimbursement, complete your request before December 31, 2024, for tax purposes. Your withdrawal needs to be processed in the same calendar year the expense was incurred and paid, so it's a good idea to make withdrawals in a timely manner and keep track of all receipts.

Log into your account at BrightDirections.com and start your withdrawal request today.

Investing Intel: Stay the Course

Volatile markets will test your nerve, and the last few years have left many investors second guessing themselves. While it's easy to overreact and overcorrect for the short term, investment professionals suggest continuing to invest for your end goals and controlling factors within your power.



Talk to your advisor and learn how to overcome investing overcaution with the Illinois Financial Wellness Hub.



Give the Gift of College Savings

Invite your family and friends to make college savings a part of every special occasion for your child. With GiftED, they can contribute directly to your child's Bright Directions account online or through the mail with a free card from us.

Learn more at

BrightDirections.com/GiftED



For Your Address Book

If you mail bill-pay contributions, general mail, or have friends and families contributing to your account via check, make sure they have our addresses on file.



Regular Mailing Address:

Bright Directions 529
PO Box 82623
Lincoln, NE 68501



Overnight Mailing Address:

Bright Directions 529
1248 O Street — Suite 200
Lincoln, NE 68508

The Bright Directions College Savings Program is sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank and Trust Company serves as Program Manager and Northern Trust Securities, Inc., acts as Distributor. Balances in your Bright Directions account are not guaranteed or insured by Bright Directions, the State of Illinois, the Illinois State Treasurer, any other state or federal agency, Union Bank and Trust Company or any of its affiliates, Northern Trust Securities, Inc. or any of its affiliates, the Federal Deposit Insurance Corporation (except as provided in the Program Disclosure Statement solely with respect to the FDIC-insured Bank Savings Underlying Investment), or any other entity.

An investor should consider the investment objectives, risks, and charges and expenses before investing. This and other important information is contained in the Bright Directions Advisor-Guided 529 College Savings Program Disclosure Statement, which can be obtained from your financial professional or at BrightDirections.com and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement. Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's 529 plan.

¹An individual who files an individual Illinois state income tax return will be able to deduct up to \$10,000 per tax year (up to \$20,000 for married taxpayers filing a joint Illinois state income tax return) for their total, combined contributions to the Bright Directions Advisor-Guided 529 College Savings Program, the Bright Start Direct-Sold College Savings Program, and College Illinois during that tax year. The \$10,000 (individual) and \$20,000 (joint) limit on deductions will apply to total contributions made without regard to whether the contributions are made to a single account or more than one account. The amount of any deduction previously taken for Illinois income tax purposes is added back to Illinois taxable income in the event an Account Owner takes a Nonqualified Withdrawal from an Account or if such assets are rolled over to a non-Illinois 529 plan. If Illinois tax rates have increased since the original contribution, the additional tax liability may exceed the tax savings from the deduction.

²The Illinois Administrative Code provides that in the case of a rollover from a non-Illinois qualified tuition program, the amount of the rollover that is treated as a return of the original contribution to the prior qualified tuition program (but not the earnings portion of the rollover) is eligible for the deduction for Illinois individual income tax purposes.

Not FDIC Insured* / No Bank Guarantee / May Lose Value
(*Except for the Bank Savings Underlying Investment)

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