

## Save Smarter: Reevaluate Your Saving Strategy

The new year is a great time to take a look back in order to plan for what's ahead. As 2020 begins, ask yourself the following:

- Can you increase your current savings level? If you can afford it, now is a good time to increase.
- Do you contribute monthly? If not, it's something to consider.
- Have you reviewed your investment portfolio? The markets have been performing well over the last decade.
- Are you in a place that you should change your investing strategy? Make sure your approach lines up with your risk comfort level.

Your financial advisor is an excellent team member to assist as you review and confirm the type of investor you are — conservative, middle of the road, or aggressive.

## 2020 Tax Day Reminders

Here are a few reminders to help you make the most of available tax savings:



### Deducting Contributions

To deduct 2019 contributions from your Illinois taxable income, review the 2019 Schedule M (IL-1040) for filing and reporting instructions. To see all the contributions you made this year, log in to your account at BrightDirections.com.



### Reporting Withdrawals for Qualified College Expenses

For qualified withdrawals, whomever the check was payable to — whether it's the account owner or the beneficiary — will receive IRS Form 1099-Q in the mail (mailed by January 31). The beneficiary will also receive the form for any checks written to the college. Review the proper tax reporting with your tax professional.

**15,000+**

### Large Contribution Reporting

If you made gifts of \$15,000 or more to a beneficiary, you'll want to discuss any IRS Form 709 filing requirements with your tax professional.

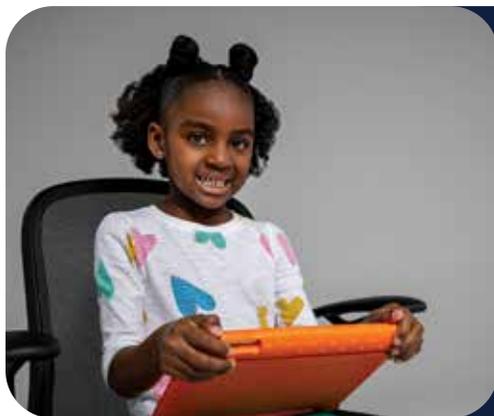
▶ **Questions? Reach out to your financial advisor or tax professional for more information.**





## Highly Rated. Five Years Straight.

Morningstar released their annual 529 ratings and Bright Directions received a fifth-straight Silver rating, the highest rating given to advisor-sold plans. Morningstar rates plans based on process, people, parent, price, and performance. So even though the cost of college is rising, know your savings are in good hands.



### ▶ Webinars Are in Session

Keep an eye on your email to sign-up for our free upcoming webinar in January on how to make withdrawals from your 529.

The Bright Directions Advisor-Guided 529 College Savings Program is sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank & Trust Company serves as Program Manager and Northern Trust Securities, Inc., acts as Distributor. Investments in the Bright Directions Advisor-Guided 529 College Savings Program are not guaranteed or insured by the State of Illinois, the Illinois State Treasurer, Union Bank & Trust Company, Northern Trust Securities, Inc., the Federal Deposit Insurance Corporation, 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](http://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 benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's 529 plan.**

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