



The Office Of State Treasurer  
Denise L. Nappier

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# News

FOR IMMEDIATE RELEASE  
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## **A BENEFIT AT TAX TIME:**

### *Safeguarding Your Child's Financial Future Through A College Savings Account*

**HARTFORD, CT** – State Treasurer Denise L. Nappier today reminded families that tax time is the ideal time to start planning for college, by opening a Connecticut Higher Education Trust (CHET) college savings account.

“Saving for college can seem daunting,” Treasurer Nappier said, “but CHET makes it easy to get started. If you are expecting a tax refund this year, consider using the money to get a real jump start on your savings.”

With the deadline to file taxes right around the corner (April 18 this year), the timing is optimal for families to contribute to an existing account as well.

CHET offers the following benefits to help make your child's dreams a reality:

- **Instant Extra Boost**

Families that may be receiving tax refunds can quickly set aside a portion to put into a CHET account. The money won't be missed and can help kick start a new account. In fact, in 2015 the Department of Revenue Services created the “Schedule CT-CHET” form which will allow individuals to direct a portion or all of their tax return to a CHET 529 college savings account.

- **Future Deductions**

By opening a CHET account now, families have the opportunity for a deduction next tax season. Connecticut residents are allowed to deduct CHET contributions from their state income taxes up to \$10,000 for a married couple filing jointly and \$5,000 for an individual. As with all 529 plans, investment earnings can grow free from state and federal taxes, and withdrawals are tax-free if used for qualified educational expenses.

- **Gifting Benefits for Family Members**

CHET accounts also offer tax benefits for other family members who may be looking to help pay for a grandchild/niece/nephew's education. Even if they make a contribution into a parent's existing account, they can claim the state tax deduction. CHET encourages online contributions. To help give a boost to your child's CHET account, encourage family members to make a contribution for birthdays, holidays or graduation.

- **Make It A Habit.**

The biggest opportunity a family has to reach the goal of financial stability when their child heads off to college is to start saving regularly now. If possible, look to put money aside from every paycheck to save for college. Individuals can contribute through payroll deduction for as little as \$15 per pay period. For those who do not currently have a CHET account, one can be opened with as little as \$25.

## **About CHET**

The State of Connecticut offers CHET to help families save for future college costs. Funds saved in a CHET account can be used at accredited colleges, universities, and vocational trade schools across the country for qualified higher education expenses. Some colleges abroad are also eligible.

Since CHET was established in 1997, more than 35,000 students have used more than \$1.2 billion in CHET funds to pay for college costs through the CHET Direct and CHET Advisor programs, as of December 31, 2015. Currently, CHET has more than \$2.7 billion in assets and over 120,000 accounts.

The CHET direct-sold plan is administered by the Office of Connecticut State Treasurer Denise L. Nappier, and managed by TIAA-CREF Tuition Financing, Inc. For more information about CHET, visit [www.aboutchet.com](http://www.aboutchet.com) or call the customer service center at (866) 314-3939. Find CHET on [Facebook](https://www.facebook.com/CHETcollegesavings) ([facebook.com/CHETcollegesavings](https://www.facebook.com/CHETcollegesavings)) or follow it on [Twitter](https://twitter.com/CHET529) (@CHET529).

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