



The Office Of State Treasurer  
Denise L. Nappier

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# News

**For Immediate Release**  
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## **MAKING YOUR TAX RETURN WORK HARDER**

### ***Tax Refunds Can Have A Lasting Impact When Placed Into A College Savings Account***

**HARTFORD, CT** – April 15 is right around the corner and that means Connecticut families are adding up deductions such as childcare, medical expenses and charitable donations to reap the largest tax refunds possible. This year, Connecticut families will have a new option for how they use any refunds.

The Department of Revenue Services has 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.

“One of the many issues families face is finding money throughout the year to put into their CHET accounts. The upcoming tax season is a great time to boost college savings as parents can make contributions directly from their tax return,” said State Treasurer Denise L. Nappier, Trustee of CHET.

Connecticut residents also will have the option of contributing a portion of their tax return to CHET Baby Scholars directly from their CT-1040 form (Schedule 5: Contributions to Designated Charities).

CHET Baby Scholars, which launched last fall, deposits \$100 into a CHET account for children born or adopted on or after January 1, 2014. No minimum contribution is required. A second deposit of \$150 will be made if family and friends add at least \$150 to the child’s CHET account within four years. The deadline to enroll is 12 months after the child’s birth or adoption.

“Connecticut families who are no longer saving for college may want to pay it forward to the next generation of college bound students by contributing part of their tax refund to the CHET Baby Scholars program,” said Treasurer Nappier.

The legislation creating CHET Baby Scholars also excludes the value of a CHET account in determining financial aid at state colleges and universities, and from consideration of other state-funded, means-tested programs. These exclusions will ensure that families struggling to make ends meet while saving for a child’s educational future won’t be unfairly penalized.

For those who do not currently have a CHET account, tax time provides a good reminder of both the benefits of saving and for the need to save for higher education expenses. Accounts can be opened with as little as \$25.

Opening an account now will provide the opportunity for a deduction next tax season. Connecticut residents are allowed to deduct 529 contributions from their state income taxes up to \$5,000 for an individual or up to \$10,000 for a married couple filing jointly. As with all 529 plans, investment earnings are exempt from state and federal taxes if used for qualified educational expenses.

“CHET is important not only to Connecticut families who need to save for the rising cost of college, but also to the viability of our state’s economy, with an educated workforce a key factor,” said Treasurer Nappier.

**About CHET**

The Connecticut Higher Education Trust (CHET) direct-sold 529 college savings plan was established in 1997, and as of December 31, 2014 has grown to more than \$2.2 billion in assets and almost 100,000 accounts. The plan manager is 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.

For more information about CHET Baby Scholars, visit [www.aboutchet.com/news/entryform.shtml](http://www.aboutchet.com/news/entryform.shtml).

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