



The Office Of State Treasurer
Denise L. Nappier

News

FOR IMMEDIATE RELEASE
March 10, 2017

CHET ENCOURAGES SAVING FOR COLLEGE DURING TAX SEASON

*Treasurer Nappier/Department of Revenue Services
Partner to Help Connecticut Families*

HARTFORD, CT – State Treasurer Denise L. Nappier and the Department of Revenue Services (“DRS”) have teamed up to make saving for college a little easier for Connecticut taxpayers. DRS offers the “Schedule CT-CHET” form which allows individuals to direct a portion or all of their state tax return to a CHET 529 college savings account.

With the deadline to file taxes right around the corner (April 18 this year), the timing is optimal for families to contribute to a Connecticut Higher Education Trust (“CHET”) account.

“Using your tax refund to boost your child’s college savings is a smart strategy, especially since refunds are often considered ‘found’ or unexpected money,” said Treasurer Nappier, Trustee of CHET. “DRS has removed the barriers by allowing families to make contributions directly from their tax return. It’s easy and convenient – and the contribution itself would be tax deductible on your tax return next year.”

With rising college costs, planning for your child’s higher education is essential to making their college dreams come true. A CHET 529 account offers numerous tax benefits plus an account can be opened with as little as \$25.

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 can grow free from state and federal taxes, and withdrawals are tax-free if used for qualified educational expenses.

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.

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 40,000 students have used more than \$1.5 billion in CHET funds to pay for college costs through the CHET Direct and CHET Advisor programs, as of January 31, 2017. Currently, CHET has more than \$3.1 billion in assets and over 137,000 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 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).

###