



# NEWS RELEASE

CALIFORNIA STATE TREASURER BILL LOCKYER

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## **Treasurer Lockyer, Schools Superintendent O'Connell Urge Families to Invest Tax Refund in College Savings Plan for Children** *ScholarShare Gives Parents a Tax Advantaged Way to Build College Fund*

SACRAMENTO – State Treasurer Bill Lockyer and State Superintendent of Public Instruction Jack O'Connell today urged California parents and families to invest their tax refund in the state's college savings program, ScholarShare.

"This time of year, many Californians find themselves with a little extra income," said Lockyer. "And with higher education costs rising, the importance of a college degree increasing, and the student loan industry embroiled in scandal, saving early for college is vital. Opening a ScholarShare account with a tax refund allows parents and families to make a responsible financial decision and an investment in their children's future."

"Putting your tax refund to work in a ScholarShare account is a great way to invest in your child's future," said O'Connell. "In the increasingly competitive global economy, most students will need a college education in order to compete. Investing some or all of your tax refund in a college savings plan is a smart investment that will pay dividends many times over."

"Tax season is also a natural time to start thinking about planning to save for college," according to Andrea Feirstein, an independent college savings consultant to states across the country. "No other savings option offers the same tax benefits of tax deferred growth and tax-free withdrawals provided by a 529 college savings program. Any Californian with children in their lives should look closely at ScholarShare and make it part of their regular savings regime."

ScholarShare enables Californians to save for college by putting money in tax-advantaged investments. After-tax contributions allow earnings to grow tax-deferred, and disbursements, when used for tuition and other qualified expenses, are federal and state tax-free.

Accounts may be opened online with as little as \$50, or \$15 when combined with regular investments of at least \$15 per month. ScholarShare has no annual fee, no income limit and offers a high maximum contribution limit of \$300,000. The program currently holds more than \$2.4 billion in assets in more than 180,000 accounts.

Lockyer is chair of the ScholarShare Investment Board, which sets investment policies and oversees all activities of ScholarShare, the state's 529 college savings plan. Go to [www.scholarshare.com](http://www.scholarshare.com) for more information.

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