



CALIFORNIA STATE TREASURER JOHN CHIANG

# NEWS RELEASE

**FOR IMMEDIATE RELEASE**

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## **ScholarShare Launches College Savings Pledge to Raise Awareness About State's 529 Plan**

*September is National College Savings Month, ScholarShare to award 20 \$500 529 accounts during the month of September*

**SACRAMENTO** – [ScholarShare](#), California's 529 college savings plan, is celebrating National College Savings Month with a [College Savings Pledge](#). Starting today, Tuesday, Sept. 1 through Friday, Sept. 25, Californians who take the pledge will enter for the chance to win one of 20 ScholarShare 529 accounts each in the amount of \$500 for their child or loved one. The pledge is aimed at encouraging young children to aspire to go to college – whether that is a community college, four-year university or trade school – and educating parents and guardians about the importance of saving for college and the benefits of California's 529 plan.

"The great equalizer between the haves and have nots has always been education. However, stagnant wage growth coupled with an explosion in college tuition has pushed that education out of the reach of many California families. Early, steady savings are among the best ways to restore the affordability of a college degree. Parents can open a ScholarShare 529 account with as little as \$25 and make a college education – and its many benefits – a real and affordable opportunity for their children," California State Treasurer John Chiang said.

Now through Friday, Sept. 25, eligible Californians can take the College Savings Pledge at [www.CollegeSavingsPledge.com](http://www.CollegeSavingsPledge.com). Twenty winners will be awarded a \$500 contribution to a new or existing ScholarShare 529 account, for a California student between the ages of 3 and 14. The teachers of the designated beneficiaries will also receive a \$500 Visa gift card, to help support their efforts in inspiring children to dream big and go to college. Additional details about the College Savings Pledge, including the Official Rules, can be found at [www.CollegeSavingsPledge.com](http://www.CollegeSavingsPledge.com).

The ScholarShare College Savings Plan is California's state-sponsored 529 college savings plan, and was recently ranked second in the top direct-sold 529 plans for three-year performance by [www.SavingForCollege.com](http://www.SavingForCollege.com). Since its inception in 1999, ScholarShare has grown to more than 266,000 open accounts with over \$6.4 billion in total plan assets. In 2014, ScholarShare helped California families meet their higher education needs, with nearly \$300 million withdrawn by families to pay for qualified higher education expenses.

ScholarShare offers a diverse set of investment options, and provides tax-deferred growth and withdrawals free from state and federal taxes when the funds are used for qualified higher education expenses, such as tuition and fees, books or even certain room and board costs. Any U.S. citizen, or resident alien with a valid Social Security Number or Taxpayer Identification Number, can open a new account, for as little as \$25. Through ScholarShare's "[Give a Gift](#)" option, parents, grandparents, aunts, uncles and friends can open a new account as a gift or make a gift contribution to an existing account. ScholarShare has no annual account maintenance fee, no income limit and offers a high maximum account balance limit.

To learn more about California's 529 plan, please visit [www.ScholarShare.com](http://www.ScholarShare.com).

## **About the ScholarShare 529 College Savings Plan:**

ScholarShare accounts may be opened with as little as \$25. ScholarShare has no annual account maintenance fee, no income limit and offers a high maximum account balance. Established in 1999, ScholarShare currently holds more than \$6.4 billion in assets in more than 266,000 accounts as of 8/14/15. To sign up for an account or for more information about the plan, visit [www.scholarshare.com](http://www.scholarshare.com). For information about the ScholarShare Investment Board (SIB), visit [www.treasurer.ca.gov/scholarshare](http://www.treasurer.ca.gov/scholarshare). Like ScholarShare on Facebook at [www.facebook.com/scholarshare529](http://www.facebook.com/scholarshare529) and follow us on Twitter at [@ScholarShare529](https://twitter.com/ScholarShare529).

Named for the section of the IRS code under which they were created, 529 plans offer valuable tax advantages. Contributions are made with money that has already been taxed. Once funds are placed in the account, investment earnings, if any, are not federally or state taxed, if withdrawn to pay for qualified higher education costs.

**Consider the investment objectives, risks, charges and expenses before investing in the ScholarShare 529 College Savings Plan. Please visit [www.scholarshare.com](http://www.scholarshare.com) for a Program Disclosure Booklet containing this and other information. Read it carefully.**

**Before investing in a 529 plan, you should consider whether the state you or your Beneficiary reside in or have taxable income in has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in that state's 529 plan.**

**The tax information contained herein is not intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax penalties. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor. Non-qualified withdrawals may be subject to federal and state taxes and the additional federal 10% tax. Non-qualified withdrawals may also be subject to an additional 2.5% California tax on earnings.**

**Investments in the Program are neither insured nor guaranteed and there is the risk of investment loss.**

The ScholarShare 529 College Savings Plan Twitter and Facebook pages are managed by the State of California.

TIAA-CREF Tuition Financing, Inc., Plan Manager.

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