

College Planning



Education Savings Strategies

Funding options consider a child's age, savings, school, and family resources.

- **529 Plans** - Tax-advantaged savings for education expenses
- **Custodial Accounts** - Gifts to minors for a child's education or other future needs
- **Trusts** - Transfer appreciating assets into a trust to pay for education expenses

Tax Credits & Deductions

Tax adjustments can help parents offset the cost of college education.

- **American Opportunity Education Credit (AOEC)** - Max \$2,500 credit *per child*
- **Lifetime Learning Credit** - Annual credit up to \$2,000 *per family*
- **Student Loan Interest** - Deduct interest on student loans up to \$2,500

Financial Aid

Many students will use a mix of savings and financial aid.

The FAFSA determines a student's financial need before financial aid is awarded:

- **Scholarships & Grants** - Awarded based on merit and not expected to be repaid
- **Work-Study Programs** - Government-funded student employment on campus
- **Federal Student Loans** - Subsidized and unsubsidized

Student Loan Alternatives

Ways of financing a college education without solely relying on student loans.

- **Securities-Backed Loans** - Low-rate loans using your portfolio as collateral
- **HELOCs** - Borrow against the equity in your home as needed
- **Whole Life Policies** - Build up cash value to borrow against, tax-free



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