

## Savings Guide for Child/Grandchild Education

Planning for your child's future starts with the right savings strategy. Whether you're preparing for college, K–12 education, or broader life goals, we'll help you choose the right account and build a plan that fits your family's needs.

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### Education & Goal-Based Account Options

#### 529 College Savings Plan

A tax-advantaged investment account designed for education savings:

- **Best for:** College, K–12 tuition (up to \$10,000/year), and student loan repayment.
- **Tax Benefits:** Tax-free growth and tax-free withdrawals for qualified expenses. Some states also offer a tax deduction or credit for contributions.
- **Contribution Limits:** High—typically over \$300,000 total per beneficiary, depending on the state.
- **Flexibility:** Can change the beneficiary to another family member if needed.
- **Control:** You (the account owner) maintain control of the funds regardless of the child's age.

*Note:* Ideal for Parents and Grandparents

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#### Coverdell Education Savings Account (ESA)

A tax-advantaged savings option with broader coverage for K–12 expenses:

- **Best for:** K–12 and college expenses like tuition, books, tutoring, and supplies.
- **Tax Benefits:** Tax-free growth and withdrawals for qualified education expenses.
- **Contribution Limits:** Up to \$2,000 per year, per child.
- **Income Restrictions:** Contributors must meet income eligibility limits.
- **Flexibility:** Covers a wider range of educational expenses than a 529.
- **Control:** Managed by a custodian until the child reaches 18 (or 30, depending on use).

*Note:* Better for Parents. Grandparents can contribute only if they meet income limits.

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## UTMA (Uniform Transfers to Minors Act) Account

A custodial account for broader future financial needs, not just education:

- **Best for:** Saving for a variety of future expenses—education, travel, or anything that benefits the child.
- **Tax Benefits:** No special tax treatment, but a portion of unearned income may be taxed at the child's rate.
- **Contribution Limits:** No formal limit, but large gifts may require tax reporting.
- **Flexibility:** Extremely flexible—funds can be used for virtually any purpose.
- **Control:** Becomes the child's property once they reach the age of majority (usually 18 or 21, depending on the state).

*Note:* Suitable for gifts or broader savings goals. Less ideal if you want to retain control of the funds beyond the child reaching adulthood.

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## How We Help You Plan

We go beyond choosing the right account—we'll help you:

- **Set Monthly Contribution Targets**  
Determine a savings amount that aligns with your goals and budget.
  - **Automate Contributions**  
Make saving consistent and effortless through automatic transfers.
  - **Balance Education and Retirement Planning**  
We'll help you prioritize education funding without losing sight of your own long-term goals.
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## Let's Build a Plan That Grows with Your Family

We're here to help you start strong and stay on track—no matter what your future holds.

