

For Utah Residents



# Utah Educational Savings Plan<sup>®</sup>

Utah's Official Nonprofit 529 College Savings Program

**Save for college.  
Inspire their future.**



**800.418.2551 | [uesp.org](https://uesp.org)**



## UESP Rated a Gold 529 Plan by Morningstar®

*"[UESP] continues to be among the leaders in reducing costs. . . . The plan's flexible suite of investments and low costs continue to earn it a Gold rating."*

Morningstar Analyst Kathryn Spica, CFA

"Morningstar Names Best 529 College-Savings Plans for 2013," October 2013



## About the Utah Educational Savings Plan

As Utah's official nonprofit 529 college savings plan, the Utah Educational Savings Plan (UESP) is dedicated to one purpose—helping you save for college. That's why UESP:

- Requires no minimum or ongoing contributions
- Will never pitch you additional products or services, like retirement plans or insurance
- Has among the lowest fees of all 529 plans, and for Utah residents who select the Public Treasurers' Investment Fund investment option there are no fees

## Start now

Higher education for your loved one may seem a long way away. But the earlier you begin to save, the longer your dollars can work for you. Money you invest when a child is a one-year-old will have more than 15 years to potentially increase. It's never too late to begin saving—every dollar in savings may mean less debt in the future.

## It's easy to start

- Enroll online at [uesp.org](http://uesp.org).
- Open an account for free.
- Contribute when you can—open your account with a zero balance and start saving when it's right for you.



## Utah taxpayers get the home-field advantage. Claim your tax credit

Many Utah residents find UESP attractive not only because it helps them prepare for the future costs of college but also because of the associated Utah state income tax benefits.

For the 2014 tax year, account owners can claim a 5 percent Utah state income tax credit for their UESP contributions up to \$1,860 per qualified beneficiary for single filers and trusts or \$3,720 per qualified beneficiary for joint filers. Even Utah-based corporations that own UESP accounts can benefit from a \$1,860 tax deduction per qualified beneficiary. You can contribute more or less than these amounts, but they represent the maximum contribution amounts within a calendar year that qualify for the Utah state income tax benefit. The more beneficiaries you have, the more you can save. To be eligible for the tax credit, the beneficiary of the UESP account must be designated as such before age 19.

## Save on fees

UESP offers 14 investment options, allowing you to choose your own investment strategy. Underlying investments include Vanguard and Dimensional mutual funds,\* the Public Treasurers' Investment Fund, and an FDIC-insured investment. Utah taxpayers who invest in the Public Treasurers' Investment Fund investment option are charged no asset or maintenance fees. For those Utahns who invest in one of the other 13 options, UESP waives the \$15 annual maintenance fee.

\*Vanguard is a trademark of The Vanguard Group, Inc. Dimensional is a trademark of Dimensional Fund Advisors.

## Realize tax-free growth

Earnings on investments in UESP accounts grow tax deferred from federal and Utah state income taxes. Withdrawals are exempt from federal and Utah state income taxes when used for qualified higher education expenses of the beneficiary at an eligible educational institution. Because the money in an account will grow tax deferred, you could save more with UESP than with a taxable investment.

## Pick a school, any school

Funds in your UESP account can be used for your beneficiary's qualified higher education expenses, including tuition and fees; required books, supplies, and equipment; and certain room and board costs. The funds can be used at any college, university, or technical school that participates in federal financial aid programs for students, not just at institutions in Utah but anywhere in the country. (Visit [fafsa.ed.gov](http://fafsa.ed.gov) for a list of eligible schools.)

## If things don't go as planned

Say your daughter gets a scholarship, your son goes into the military, you encounter a family emergency, or you simply change your mind. You can transfer the account to a member of the beneficiary's family. You can also withdraw your funds anytime.

If the money is used for anything other than qualified higher education expenses, in most cases you'll have to pay federal and state income tax on the earnings and an additional 10 percent federal penalty tax on the earnings. Also, Utah taxpayers may be required to recapture any Utah state income tax credit or deduction previously claimed.

# A higher education pays.

**66%** of all jobs in Utah will require a post-secondary education by 2018!



For more information about UESP or to request a copy of the Program Description, please contact UESP at:

Phone: 800.418.2551 | Fax: 800.214.2956  
E-mail: [info@uesp.org](mailto:info@uesp.org) | Web: [uesp.org](http://uesp.org)

## Mailing Address

PO Box 145100, Salt Lake City, UT 84114-5100

## Location

Board of Regents Building, Gateway 2  
60 South 400 West, Salt Lake City, UT 84101-1284

## Important Legal Notice

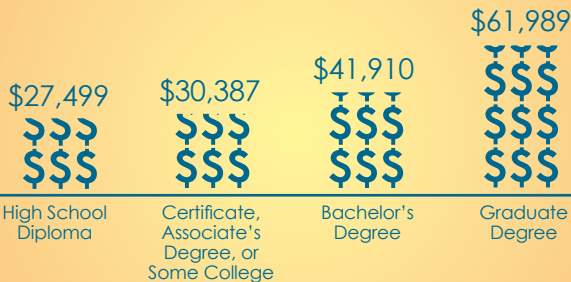
*The Utah Educational Savings Plan (UESP) is a Section 529 plan administered and managed by the Utah State Board of Regents and the Utah Higher Education Assistance Authority (UHEAA).*

*Read the Program Description for more information and consider all investment objectives, risks, charges, and expenses before investing. Call 800.418.2551 for a copy of the Program Description or visit [uesp.org](http://uesp.org).*

*Investments are not guaranteed by UESP, the Utah State Board of Regents, UHEAA, or any other state or federal agency. However, Federal Deposit Insurance Corporation (FDIC) insurance is provided for the FDIC-insured accounts. Please read the Program Description to learn about the FDIC-insured accounts. Your investment could lose value.*

*Non-Utah taxpayers and residents: You should determine whether the state in which you or your beneficiary pay taxes or live offers a 529 plan that provides state tax or other benefits not otherwise available to you by investing in UESP. You should consider such state tax treatment and benefits, if any, before investing in UESP.*

## Utah Median Earnings for Full-Time Workers<sup>2</sup>



**Utah Educational Savings Plan<sup>®</sup>**

Sponsored by



Administered and managed by the Utah State Board of Regents/Utah Higher Education Assistance Authority

1. Anthony P. Carnevale, Nicole Smith, and Jeff Strohl, *Help Wanted: Projections of Jobs and Education Requirements through 2018* (Washington, DC: Georgetown University Center on Education and the Workforce, June 2010), 99; [cew.georgetown.edu/jobs2018](http://cew.georgetown.edu/jobs2018)  
2. Utah population, age 25 years and over with earnings; single-year estimates for 2011. Source: U.S. Census Bureau, 2011 American Communities Survey (ACS)