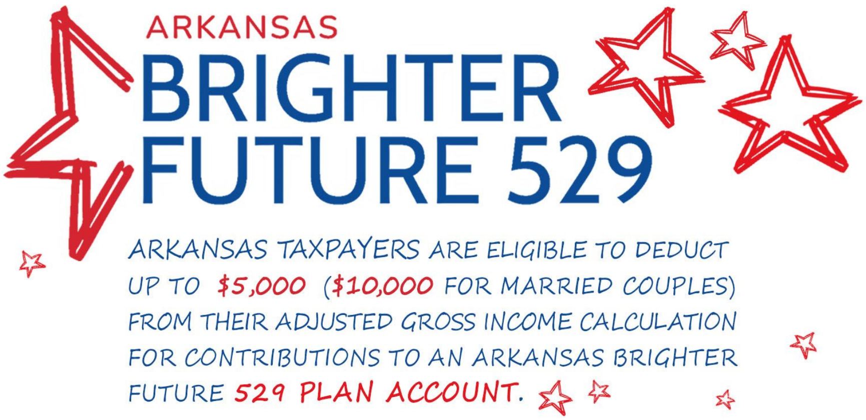
STATE OF ARKANSAS
House of Representatives

Arkansas House Newsletter

October 13, 2023

Arkansas Brighter Future 529 Program



Paving the way for a brighter future through education is a goal shared by many families. For parents in Arkansas, the Arkansas Brighter Future 529 Program is a valuable tool designed to help them save and invest in their children's education. This week, we want to remind you about the valuable resource and all the advantages it has to offer.

The Arkansas Brighter Future 529 Plan (formerly the GIFT Plan), sponsored by the Treasurer of State's office, is an education-savings plan that allows your savings to grow tax-deferred through a wide variety of investment options. Later, the money can be withdrawn tax-free to pay for qualified higher education costs like tuition, room and board, and supplies at nearly any two- or four-year college, university, vocational, or trade school.

In 2018, the federal government expanded the use of 529 funds to include private, parochial, and public K-12 tuition. In 2021, the government broadened the plan even more to allow 529s to cover the cost of apprenticeship programs and pay down student loan debt.

Arkansas taxpayers are eligible to deduct up to $5,000 (up to $10,000 for married couples) from their adjusted gross income calculation for contributions to an Arkansas Brighter Future 529 Plan account. The savings have the potential to grow at a faster rate than if you had invested in a comparable taxable account.

You can also invite friends and family to be a part of your savings journey. With a Ugift® code that links directly to your account, they can give the gift of education for a birthday, holiday, special occasion, or even “just because.” Anyone who contributes may be eligible for an Arkansas state tax deduction, too.

More than 27,000 Arkansas Families are served by the Arkansas Brighter Future 529 Plan. You can begin saving by visiting www.brighterfuturedirect529.com.