



# OFFICE OF ILLINOIS STATE TREASURER

MICHAEL W. FRERICHS

**FOR IMMEDIATE RELEASE:**

December 10, 2024

**CONTACT:**

Eric Krol 312.814.1252

Adriana Colindres 217.558.1920

## **Struggling to Find a Holiday Gift? State Treasurer Frerichs Suggests Contributing to a College Savings Account**

### *ReadySave 529 App Makes It Easier Than Ever to Send Gift Contributions to Bright Start Accounts*

Stuck on what to get a child or grandchild for the holidays? Investing in their future is a great gift, and it's easier than ever to contribute to their Bright Start 529 college savings account. You can even do it on your phone.

Illinois Treasurer Michael Frerichs is encouraging family members and friends to give the future gift of college or vocational school this year by making a contribution to a loved one's Bright Start 529 college saving account. Bright Start 529 recently introduced a new phone app, so giving and requesting gifts is easier than ever.

"Giving the gift of a Bright Start contribution is a great way to show a young person the importance of a college education, set high expectations for them, and avoid waiting in line with holiday shoppers," Frerichs said. "Parents, grandparents, aunts, and uncles can boost a college savings account and reduce the amount of money a family might have to borrow later."

Bright Start 529 introduced a modernized suite of gifting options as part of the program's switch to a new program manager this fall. TIAA is a pioneer in 529 college savings plans and is one of the largest and most widely recognized program managers.

To invite others to give the gift of college savings, account holders might have to create a new username and password if it's their first time logging in since the transition to the new Bright Start experience on Sept. 30, 2024.

Once that's done, you can click on the "Share Ugift Code" link on your My Accounts page. From there, you'll see a unique code you can send to family and friends who can use it at any time to easily make gift contributions at [Ugift529.com](https://Ugift529.com). There's even a link to a thank-you note you can print for your young gift recipient to fill out to show their appreciation.

To suggest a gift contribution using the new app, you can download the ReadySave529 app, select Illinois from among the states, and log in to your Bright Start account. From there, click on the Ugift icon to see your unique code to send to potential gift-givers that they can use to make the contribution.

The gift of a college savings also can be [sent through the mail](#).

Nearly two-thirds of parents say they will ask for contributions to their child's college savings plan as a gift for holidays or other major events, according to the nonprofit College Savings Foundation's [recent survey of 1,000 parents](#) across the country.

A child is three times more likely to attend college if they know that they have a dedicated college savings account, according to [research](#) from the Center of Social Development at Washington University in St. Louis. Ensuring nationally recognized 529 programs is one way Frerichs' office makes college more accessible.

Under Treasurer Frerichs, the Bright Start program has gone from one of the nation's worst to one of its best, with [six Gold ratings](#) from Morningstar, which independently evaluates and rates college savings plans each year. Time Magazine, Forbes, Business Insider, and Savingforcollege.com also have recognized Bright Start 529 as among the nation's best 529 college savings plans.

Since 2015, Frerichs has negotiated fee reductions of more than \$100 million, ensuring more investment dollars go directly to college savings. Today, Bright Start is among the most affordable and highest-rated college savings plans in the country. These changes have helped the Bright Start and adviser-directed Bright Directions plans grow to more than 900,000 accounts with more than \$21 billion in assets.

The "529" in college savings comes from the section number of federal law that authorizes such plans. Money in a 529 college savings account can be used at eligible educational institutions, including public and private, two-year, four-year colleges and universities, and certain technical and vocational schools. The investment grows tax-free when spent on qualified expenses.

Contributing to a 529 Bright Start account before the end of the year is a great way to maximize your tax advantages. The State of Illinois offers an income tax deduction to Illinois taxpayers of up to \$10,000 (\$20,000 for married couples filing jointly) for contributions made to a Bright Start account. Tax deductions from contributions made in 2024 can be applied to tax returns filed in 2025.

For more information, or to open an account, visit [BrightStart.com](https://BrightStart.com) and click on the college savings button. There is no minimum amount to open an account.

## **About the Illinois Treasurer**

The Illinois State Treasurer's Office is a powerful economic engine that invests in people to drive prosperity, development and growth throughout the state. As State Treasurer, Michael Frerichs (FRAIR'iks) is the state's Chief Investment and Banking Officer and actively manages approximately \$60 billion. The investments help families pay for college and trade school; workers save for a dignified retirement; and local governments process bill payments more efficiently so they can pass along the savings to taxpayers. The office provides financial institutions money to loan to farmers, small business owners, and qualified individuals at below-market rates because better jobs create stronger communities. The office operates the state's largest consumer-protection initiative, the unclaimed property I-Cash program, which has returned a record-breaking \$2 billion since Frerichs was elected.

For more news about the State Treasurer's Office, please follow Treasurer Frerichs on Instagram at [ILTreasurer](#), [LinkedIn](#) and Facebook at [Invested in You – Treasurer Michael Frerichs](#). You can find our weekly newsletter [here](#).

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### **About Bright Start**

**Please refer to the Program Disclosure Statement at [BrightStart.com](#) prior to investing for its investment objectives, risks, charges and expenses and whether your home state offers tax or other benefits such as financial aid, scholarship funds, or protection from creditors for investing in its own 529 plan. Read it carefully. Investments in the Plan are neither insured nor guaranteed (except as provided in the Plan Description solely with respect to the FDIC-insured Bank Savings Underlying Investment) and there is the risk of investment loss. The Bright Start Direct-Sold College Savings Program is sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank and Trust Company serves as the Program Manager.**

**Upon completion of the transition, TIAA-CREF Tuition Financing, Inc., an SEC registered investment adviser, will be the Plan Manager for the Bright Start Direct-Sold College Savings Program. TIAA-CREF Individual & Institutional Services, LLC, member FINRA, will be the distributor for the plan.**

**An investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 plan. Investors should consult a tax advisor.**

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