



## **OFFICE OF ILLINOIS STATE TREASURER**

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### **Need a Last-Minute Holiday Gift? Give to a Bright Start College Savings Account**

*Illinois State Treasurer Michael Frerichs Encourages Families  
to Give the Gift of College Savings with the GiftED Tool*

**SPRINGFIELD** – Struggling to find a gift idea for that hard-to-shop-for teen? Wondering what to get that toddler who has enough toys?

Invest in that child’s future by giving the gift of college savings this holiday season --- and give yourself the gift of a tax break. Illinois State Treasurer Michael Frerichs says contributing to a Bright Start 529 plan is a great way to inspire students to attend a college, university or vocational school.

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.

“Giving the gift of a Bright Start contribution is a great way to share the importance of education, set high expectations for students, and avoid holiday crowds,” Frerichs said. “By adding to their college savings plans, grandparents, aunts and uncles, and parents can reduce the amount a family may have to borrow later.”

Nearly half – 46% – of all parents say they will ask for contributions to 529 higher education plans as gifts for their children for holidays or other major events, according to the nonprofit College Savings Foundation’s recent State of Higher Education survey of 1,000 parents across the country.

Through the Bright Start GiftED program, any individual can contribute to a friend’s or family member’s Bright Start 529 account at [brightstart.com/give-a-gift/](https://brightstart.com/give-a-gift/). It’s easy to do.

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Friends and relatives can contribute electronically. Parents can send an invitation by [logging in](#) to their Bright Start account and clicking on the GiftED link in the upper left corner, then on the + sign.

From there, select the Bright Start account from which you want to send GiftED invites and choose the “add a new invitee” option. You’ll add their name, email address and phone number. Next, you’ll choose from a variety of email messages, including holidays. You’ll have an opportunity to read over and customize the note before you submit the invitation.

Family and friends also can contribute by mail. Ask them to fill out the [deposit coupon](#), print it out and mail it with a check to: Bright Start Direct 529, P.O. Box 85298, Lincoln, NE 68501.

Gift-givers can print out and mail [designed cards and certificates](#) to let the recipient know a contribution has been made to their college savings fund.

You can also [open a new Bright Start account](#). There is no minimum contribution requirement.

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 2022 can be applied to tax returns filed in 2023.

Frerichs serves as Trustee and Administrator of two Illinois 529 College Savings programs: the Bright Start direct-sold 529 program and the Bright Directions advisor-sold program. Since 2015, Frerichs has worked with Union Bank & Trust, the program manager, to reduce fees and ensure more investment dollars go directly to college savings. These changes have helped the plans grow from \$7 billion I assets in 2015 to \$15 billion in assets today.

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.

For more information about the Treasurer’s Office 529 College Savings programs, visit [illinoistreasurer.gov](http://illinoistreasurer.gov).

### **About the Illinois Treasurer**

As Illinois State Treasurer, Michael Frerichs (FRAIR'-iks) is the state’s Chief Investment and Banking Officer and actively manages approximately \$52 billion. The portfolio includes \$26 billion in state funds, \$17 billion in retirement and college savings plans and \$9 billion on behalf of local and state governments. Frerichs’ office protects consumers by safeguarding more than \$3.5 billion in unclaimed property, encouraging savings plans for college or trade school, increasing financial education among all ages, assisting people with disabilities to save without losing government benefits, and removing barriers to a secure retirement. The Treasurer’s Office predates Illinois incorporation in 1818. Voters in 1848 chose to make it an elected office.

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The Bright Start Direct-Sold College Savings Program (“Bright Start”) and the Bright Directions Advisor-Guided 529 College Savings Program (“Bright Directions”) are part of the Illinois College Savings Pool and are designed to qualify as qualified tuition programs under the provisions of Section 529 of the Internal Revenue Code. Bright Start and Bright Directions are sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank & Trust Company serves as Program Manager, and Northern Trust Securities, Inc. acts as Distributor of the advisor-sold plan. Investments in Bright Start and Bright Directions are not guaranteed or insured by the State of Illinois, the Illinois State Treasurer, Union Bank & Trust Company, Northern Trust Securities, Inc., the Federal Deposit Insurance Corporation, or any other entity.

**An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This and other important information is contained in the fund prospectuses and the Bright Start Program Disclosure Statement and Bright Directions Program Disclosure Statement (issuer’s official statement), which can be obtained from your financial professional, on [BrightStart.com](http://BrightStart.com), and [BrightDirections.com](http://BrightDirections.com) and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement.**

**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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