

# A Smarter Way to Save for College

**529 Plans: The efficient savings vehicle for your family's future**

College isn't cheap. The average private school price tag? Over \$43,000 a year. That's a down payment on a house ... every year. If you want your kids to chase their big dreams without wrecking your financial plan, you've got to play it smart.

529 plans are how you can make it happen. It's not just a savings account, it's a tax-savvy, flexible way to put college on autopilot (and maybe even sneak in some estate planning wins along the way).

## What are 529 plans?

Think of it as your tax-advantaged, future-proof savings account for education. You put money in, it grows tax-deferred, and when it's time to pay for qualified expenses — tuition, textbooks, even housing — you take it out tax-free. With a 529 plan, you gain:



### **Flexibility and control:**

Unlike many other college savings vehicles, you can change the beneficiary of a 529 at any time. If one kid doesn't use it, roll it over to another.



### **Estate planning bonus:**

Contribute up to \$18,000 per year for each beneficiary (\$36,000 for couples) or "superfund" the account up front — up to \$180,000 per beneficiary — without triggering gift taxes or interfering with your lifetime exemption.



### **More than tuition:**

Qualified educational expenses go way beyond tuition. They may also include textbooks and supplies, room and board, and technology (including computers).



### **New ways to spend:**

Starting in 2026, 529 plan funds can be used for up to \$20,000 of K-12 educational expenses, double the current limit.



### **Rollover opportunities:**

Up to \$35k of unused funds can roll into a Roth IRA for your kid. Translation: you're helping them start retirement before their first job.

## The overlooked benefits

Despite rising in popularity, 529 plans remain underutilized by families who could benefit from their unique flexibility. They're not just a tool for education funding, but also one for enriching estate and tax planning. Here's why they fit seamlessly into overall financial plans:

- ✓ **Tax benefits:** On top of the tax-free investing, you may be eligible for a state income tax deduction.
- ✓ **Max control:** Account owners, and not the beneficiaries, retain authority over when and how funds are used.
- ✓ **Minimal impact on financial aid:** 529 plans are categorized as a parental asset when applying for federal financial aid (FAFSA).
- ✓ **Multiple benefactors:** Grandparents and other third-party contributions are accepted, regardless of who owns the account.
- ✓ **Legacy foresight:** Because the assets are removed from your estate, 529 plans can be a thoughtful way of reducing what's taxable down the road.

## Is a 529 plan right for you?

Not every family's situation is the same. We'll help you weigh:

Your long-term  
financial needs

Your tolerance  
for risk

Family expansion

Your time horizon

### Let's talk!

Astra is here to help you make informed decisions. Set up an appointment with one of our advisors today.

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