

# Inform

CollegeCounts<sup>SM</sup>  
Alabama's 529 Fund

ADVISOR PLAN

1st Quarter 2015

## Final 2014 Tax Reminders

April 15th is right around the corner. Be sure to report your 2014 contributions to CollegeCounts in order to take advantage of the Alabama state income tax deduction. Contributions up to the \$5,000 individual limit (up to \$10,000 if married and filing jointly) can be deducted if they were postmarked on or before December 31st. Any contribution postmarked in 2014 but invested in January will appear on your enclosed 1st Quarter 2015 statement as a "Prior Year Contribution". Don't forget to include those "Prior Year Contributions" for 2014 tax deduction purposes. Keep in mind that contributions to CollegeCounts don't generate any tax forms for the Alabama state income tax deduction – simply report your total contributions on Alabama Form 40, Part II, Line 8.

If you made a large gift in 2014 or took advantage of the special 5-year front-loading gift election allowed for 529 plans, make sure to mention these to your tax professional. They can help you determine if any special IRS filings are required. Typically, a Form 709 is required in order to have a large gift to a 529 account split over a 5 year period. The deadline for filing is April 15, 2015.

Did you know you can direct deposit a portion or the full amount of your Federal or State tax refund into your CollegeCounts account? Instructions were included with your 4th quarter account statement. Please visit the CollegeCounts online tax center or feel free to call us for help.

Additional tax information can be found in the 4th Quarter 2014 Newsletter and the Tax Center at **CollegeCounts529advisor.com**. Be sure to check with your tax professional for more information or advice regarding the tax benefits of investing with CollegeCounts.

## Mystery Shopper Opportunity

CollegeCounts is committed to offering outstanding customer service. In order to ensure that our high standards are being met, we ask current CollegeCounts account owners to offer us feedback on the level of our customer service, commonly known as mystery shops. If you are interested in participating in our Mystery Shopper program, please contact Cross Financial Group TODAY! Mystery Shoppers get paid for each shop they complete. Cross Financial Group will provide you with a full information package about all of the benefits of the program. You can email your interest to **shopping@crossfinancial.com**. (Please reference CollegeCounts in your email.)



Offered by the  
State of Alabama

UBT 529 Services a Division of  
**UNION BANK**  
& TRUST COMPANY.  
Program Manager

**Northern Trust**  
**Securities, Inc.**  
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## Long-Term Investing

The markets just celebrated their six year bull market anniversary in early March. Over the last six years investors that have stayed the course and kept a long term focus have seen growth in their accounts. The markets have demonstrated that one of the certainties when investing in stocks is that there will be volatility. "Volatility" simply means the price of an investment will fluctuate and go up and down in value. Investors in 2008 and 2009 remember the negative returns the stock markets posted. If those investors stayed the course with a diversified growth-oriented portfolio they were rewarded as the markets recovered and saw solid growth the past 6 years.

An important thing to remember with the markets is that they will go up and down in value. Make sure to consider your investment time horizon, risk tolerance, diversification, and review your investments periodically with your investment professional to make sure your goals, strategies, and investments are still appropriate. And, when possible consider investing more each month. Very seldom do we hear account owners saying they have saved too much for college.

## 2014 Withdrawal Reporting

If you requested a withdrawal from your CollegeCounts account in 2014, the payee of the withdrawal check would have received IRS Form 1099-Q in the mail in late January or early February. If the withdrawal was payable to the Account Owner, the Owner would have received the 1099-Q. For any withdrawals payable to the Beneficiary or a school, the Beneficiary would have received the 1099-Q. We recommend that you discuss any withdrawal reporting requirements with your tax professional.

## The Importance of a Successor Account Owner

Naming a Successor Account Owner, while optional, is important to consider when opening or reviewing/maintaining your CollegeCounts account. The role of the Successor Account Owner is to take over control of the account in the event of your death. To review the Successor Account Owner for your account, you can log in at **CollegeCounts529advisor.com** and select "Account Profile". If you would like to name a Successor Account Owner or add a 2nd Successor Account Owner, you can simply complete the "Add or Change a Successor Account Owner" form which can be found under the "Forms" link of our website. Planning ahead by naming a Successor Account Owner will make the administration of your account easier for those who survive you.

## Graduation + GiftED = Great Idea

Spring is in the air and that means Graduation season is quickly approaching. Will your Beneficiary be celebrating a graduation from preschool, kindergarten, junior high, or high school? To celebrate and recognize their special achievement, don't forget to suggest a contribution to CollegeCounts as a gift idea to family members or friends. You can email *GiftED* invitations after logging into your account at **CollegeCounts529advisor.com**. Simply select "Gifting" to walk through the easy steps. After receiving your invitation, contributors can make a secure electronic contribution or mail a check directly to us. All *GiftED* contributions will be tracked automatically so you can acknowledge the gifts as they are received. *GiftED* is an easy and convenient way to allow others help your Beneficiary achieve their higher education goals!

## IRS Allows Two Investment Changes

If you wish to change the investment option for your account, there was an important change you should be aware of. In late December, the Achieving a Better Life Experience Act of 2014 ("ABLE Act"), changed the law to allow 529 Account Owners the ability to change their investment option twice per calendar year beginning in 2015. Previously, Account Owners were allowed just one investment change every calendar year. Please review the enclosed supplement to the CollegeCounts Program Disclosure Statement and keep it with your other CollegeCounts account paperwork. Please review your account and contact your financial professional with any questions about your investment portfolio.

## Automatic Investment Plan Provides Flexibility

Do you like to contribute to your account regularly and currently utilize your bank's Bill Pay option to do so? Are you looking for an easy way to make consistent contributions to your CollegeCounts account without having to remember to write a check? If so, an *Automatic Investment Plan* ("AIP") is a great tool available for you to utilize. With an *Automatic Investment Plan*, you have the ability to set up a regular, electronic contribution directly from your bank account. You control the amount, the date, the frequency and can make changes as often as necessary by logging into your account at **CollegeCounts529advisor.com**. Contributions are invested on the same date each month, so there is no need to wonder when the deduction from your bank account will occur. Establishing an AIP provides you control over your regular contributions and is easy and convenient. Log in to get started or contact us at 866.529.2228 with any questions.

## Thank you for investing with CollegeCounts!

The CollegeCounts 529 Fund Advisor Plan is a qualified tuition program under Section 529 of the Internal Revenue Code that is sponsored by the State of Alabama and administered by the Board of Trustees of the ACES Trust Fund (the "Trust" and plan issuer). Union Bank & Trust Company serves as Program Manager and Northern Trust Securities, Inc., acts as Distributor. Accounts and investments under the CollegeCounts 529 Fund Advisor Plan are not insured or guaranteed by the FDIC, the State of Alabama, the State Treasurer of Alabama, the Board, the Trust, the Program, Union Bank & Trust Company, Northern Trust Securities, Inc., or any other entity. Investment returns are not guaranteed and you could lose money by investing in the Plan.

**An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities and the Program before investing. This information is contained in the Program Disclosure Statement (issuer's official statement). Please read it carefully before investing. For a copy, call 866.529.2228, visit the plan web site, or contact your investment professional.**

**An investor should consider, before investing, whether their home state or the designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.**

Not FDIC Insured // May Lose Value // No Bank Guarantee

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