

Have A Student Attending College This Fall?

If you have a student preparing for the fall semester, or maybe you have some college expenses from the spring semester that you need to reimburse, CollegeCounts is here to help. If you are unsure of what expenses are considered qualified, we recommend visiting CollegeCounts529advisor.com/plan-benefits/use-of-funds for more detailed information. Qualified expenses include tuition, fees and expenses, books and supplies required for enrollment or attendance, computers, room and board (as long as they enrolled at least half-time), some special needs services, apprenticeship program expenses and more.¹

When you are ready to withdraw funds, here are answers to some common questions:

- ▶ **How do I withdraw my funds to pay college expenses?** Easy! Simply sign into your account at CollegeCounts529advisor.com and select "Transact Online." When requesting your withdrawal, you can disburse funds to the account owner, the beneficiary, or directly to the school.
- ▶ **Can I use the funds at "XYZ" school?** Any school that is accredited by the U.S. Department of Education and eligible to participate in Federal financial aid programs is considered a qualified educational institution at which you can use your 529 funds. To see if your school qualifies, use the Federal School Code Search at <https://studentaid.gov/fafsa-app/FSCsearch>.
- ▶ **How long does the money take to arrive?** Withdrawal requests received in good order will generally be process within 1 business day. Funds are sent the following business day. Keep in mind, checks can take up to 7-10 business days to arrive. When electronically sending funds to a bank account, it can take up to 2-3 business days to settle in your account, depending on your bank's requirements. We always recommend requesting your funds in advance to meet any payment deadlines.
- ▶ **Can I withdraw from my account for their sibling?** You should only withdraw funds for the named beneficiary within the same calendar year that the expense occurred. However, you can change the beneficiary to another family member if necessary.
- ▶ **Anything else I should know?** We always recommend that you keep receipts and documentation of all your qualified expenses¹ for tax purposes. CollegeCounts does not require any proof or documentation of expenses.

For more details and information, visit CollegeCounts529advisor.com.

CollegeCounts Scholarship Winners

Congratulations to the 2024 CollegeCounts Scholarship recipients! This year, we awarded scholarships worth over \$1 million to 298 Alabama students entering college in August 2024. CollegeCounts is proud to award these scholarship recipients for their hard work and dedication to learning, and we look forward to all that they will learn and accomplish during their journey. Investing in Alabama's students is one of our greatest joys here at CollegeCounts. Over the years, CollegeCounts has awarded millions of dollars to thousands of Alabama students, and we look forward to continuing that investment in our future children. Congratulations and best of luck to all our 2024 Graduates that are heading into college and the bright futures that await them!

Want To Automate Your Contributions?

We know how busy a family's schedule can get. With so many things vying for our attention and college seeming so far away, it can be difficult to prioritize contributing to your CollegeCounts account. A simple way to prioritize saving is by setting up an Automatic Investment Plan with CollegeCounts. It's like putting your contributions on autopilot. CollegeCounts gives you the freedom to add funds to your account on a schedule that best fits your budget and busy life. Simply log into your account at CollegeCounts529advisor.com, select "Automatic Contributions", then follow the simple steps to establish that recurring contribution.

Test Your CollegeCounts Knowledge!

1. I should withdraw funds prior to when my expense is due.

TRUE FALSE

2. CollegeCounts funds can only be used at colleges and universities in Alabama.

TRUE FALSE

3. I can use my CollegeCounts 529 account to pay for my beneficiary's apprenticeship programs.¹

TRUE FALSE

ANSWERS

1. False! It is our understanding that withdrawals should take place the same calendar year as the expense. You can request funds ahead of your expense, or reimburse yourself after the expense has been paid. We recommend that you keep records of your withdrawals and expenses.

2. False! Funds can be used at eligible schools nationwide and some foreign schools too.

3. True! The expense for fees, books, supplies, and equipment required for the designated beneficiary's participation in an apprenticeship program registered and certified with the Secretary of Labor under section 1 of the National Apprenticeship Act are considered qualified expenses¹ from a 529 account.

The CollegeCounts 529 Fund Advisor Plan is a qualified tuition program under Section 529 of the Internal Revenue Code that is offered by the State of Alabama and administered by the Board of Trustees of the ACES Trust Fund (the "Trust" and plan issuer). Union Bank and Trust Company serves as Program Manager and Northern Trust Securities, Inc., acts as Distributor. Except for any investments made by an investor in the Bank Savings Individual Fund Investment Option up to the limit provided by Federal Deposit Insurance Corporation ("FDIC") insurance, neither the principal contributed to an account, nor earnings thereon, are guaranteed or insured by the FDIC, the State of Alabama, the State of Alabama Treasurer, the Board, the Trust, the Program, Union Bank and 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 before investing. This, and other important information, is contained in the fund prospectuses and the CollegeCounts 529 Fund Advisor Plan Program Disclosure Statement (issuer's official statement), which can be obtained from a financial professional and on CollegeCounts529advisor.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.

¹Withdrawals used to pay for qualified higher education expenses are free from federal and Alabama state income tax. Qualified higher education expenses include tuition, fees, books, supplies, and equipment required for enrollment or attendance; certain room and board expenses incurred by students who are enrolled at least half-time; the purchase of computer or peripheral equipment, computer software, or internet access and related services, if used primarily by the beneficiary during any of the years the beneficiary is enrolled at an eligible educational institution; certain expenses for special needs services needed by a special needs beneficiary; apprenticeship program expenses; payment of principal or interest on any qualified education loan of the Beneficiary or a sibling of the Beneficiary (up to an aggregate lifetime limit of \$10,000 per individual); and up to \$10,000 per year in K-12 Tuition Expenses. The earnings portion of a non-qualified withdrawal is subject to federal income tax and 10% federal penalty tax. In addition, Alabama provides in the event of a non-qualified withdrawal an amount that must be added back to the income of the contributing taxpayer. The amount to be added back will be the amount of the nonqualified withdrawal plus 10% of the amount withdrawn.



Back-to-School Sales Tax Holiday

The Back-to-School Sales Tax Holiday runs from July 19th at 12:01 a.m. through midnight on Sunday, July 21st, 2024 in participating municipalities throughout Alabama. It's a great time to purchase certain school items like computers, clothing, school supplies, school art supplies, school instructional materials, and books. Such items purchased during this time in participating municipalities are exempt from the Alabama state sales tax (though local sales tax may still apply), helping you to save money and get everything you need for the upcoming school year. To see participating counties and municipalities, as well as rules and guidelines, visit the Alabama Department of Revenue's website at Revenue.Alabama.gov and search "2024 school sales tax holiday."

NOT FDIC INSURED* / NO BANK GUARANTEE / MAY LOSE VALUE
(*except the Bank Savings 529 Portfolio underlying investment)

**"Learning is a treasure
that will follow its owner everywhere."**

— Chinese Proverb


CollegeCounts
ADVISOR-GUIDED 529 FUND