



## **DIRECT DEPOSIT STATE TAX REFUND TO BOOST COLLEGE SAVINGS**

### **New Option for Funding Virginia529 Accounts**

RICHMOND, Virginia—February 24, 2015—Virginia families have a new, easy way to save for higher education for a loved one: direct deposit of a Virginia income tax refund to an existing Virginia529 college savings account.

“Many people see tax refunds as a windfall,” said Mary Morris, Virginia529’s CEO. “We hope the convenience of direct depositing refunds will help more families grow their 529 accounts with the unexpected money and get closer to their higher education savings goal.”

Taxpayers expecting a refund can use Schedule VAC to direct all or part of a Virginia refund directly into one or more Virginia529 accounts. The Schedule is available from the Department of Taxation and also may be accessed through online tax services.

To send a refund to an existing Virginia529 prePAID, Virginia529 inVEST or CollegeWealth account, enter the account number and beneficiary’s last name. For CollegeAmerica accounts, contact your financial advisor for the required information.

Virginia529 reminds taxpayers to deduct 2014 contributions to Virginia529 accounts in calculating Virginia taxable income. Virginia law allows Virginia529 account owners to deduct contributions of up to \$4,000 per account per year. A tax refund deposited this year can be deducted next year, potentially reducing the 2015 Virginia income tax one owes.

“This is a terrific tax cycle to start this year,” noted Morris. “Contribute with your refund in one year and deduct it the next.”

Contributions to Virginia529 accounts grow tax-free and the earnings are not taxed when used for qualified higher education expenses such as tuition, fees, books, room and board and required supplies. Regular saving in Virginia529 accounts can help future students avoid relying on loans to fund their education. Savings in Virginia529 accounts can be used towards attendance at two-year and four-year, public and private schools in Virginia and around the world.

For more information about the tax benefits of Virginia529 accounts, visit [Virginia529.com](http://Virginia529.com) or call Virginia529 at 1-888-567-0540. Virginia529 and its employees cannot provide tax advice. For individual tax advice, please contact your tax professional.

#### **About Virginia529 College Savings Plan:**

Virginia529 is a 529 college savings plan that offers flexible, affordable, tax-advantaged savings for qualified higher education expenses through its four programs: Virginia529 prePAID<sup>SM</sup> (prePAID<sup>SM</sup>), Virginia529 inVEST<sup>SM</sup> (inVEST<sup>SM</sup>), CollegeAmerica® and CollegeWealth®. More than \$53 billion in assets under management and 2.3 million accounts as of December 31, 2014 make Virginia529 the largest 529 plan available. For more information on Virginia529’s college savings options, visit [Virginia529.com](http://Virginia529.com) or

call 1-888-567-0540 to obtain program materials. These include information on Virginia529 programs, investment objectives, risks, charges, expenses and other important information; read and consider them carefully before investing. All investments are subject to risk, including the possible loss of the money you invest.

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