



Help Your Team Save for Their Children's Future

The cost of college keeps rising, but you can support your employees through a 529 plan. Adding our college savings account to your benefits package gives your team access to an easier way to save for the future.



Benefits for Your Employees

- Illinois tax payers are eligible for a state tax deduction for contributions of up to \$10,000 (\$20,000 for joint filers)¹
- Tax-deferred growth on any interest, dividends, and capital gains
- Tax-free withdrawals for qualified higher education expenses²
- No minimum or annual contribution requirements
- Quality fund families
- Funds can be used at eligible schools nationwide (public, private, trade and community colleges, graduate schools, professional programs, and apprenticeships) and select foreign institutions

Benefits for Employers

- Increased employee satisfaction, which can lead to higher employee retention
- No upfront or ongoing costs to the employer
- Illinois tax credit for employer matching contributions

For taxable years ending on or before December 31, 2024, employers are eligible for an Illinois tax credit against the Illinois state income tax in an amount equal to 25% of that matching contribution up to a maximum tax credit of \$500 per contributing employee per taxable year. Check with your tax advisor for details.³

Our Portfolio Options

- Age-Based Portfolios (Aggressive, Moderate, and Conservative) that automatically adjust as the child gets closer to college
- 6 Target Portfolios that have a set or static investment allocation, ranging from 100% equity to 100% fixed income
- 17 Individual Fund Portfolio options for employees to customize their own investment approach

Contribution Options

- Employees can automatically invest via their bank account
- Employers can offer payroll deductions

Bright Start Fund Family

Vanguard

T.RowePrice
INVEST WITH CONFIDENCE

Dimensional **BLACKROCK**

DODGE & COX FUNDS

ARIEL
INVESTMENTS

Invesco

BAIRD
Baird Funds

BNY MELLON | INVESTMENT MANAGEMENT

DWS

NUVEEN
ASSET
MANAGEMENT

Ready to Help Your Employees Save?

Here's how a Bright Start rollout can work in your office:

- Week 1**
 - Decide on the contribution method you'll offer (payroll deduction or automatic investment plan)
 - Order posters and table tents from Bright Start to promote the plan to employees
- Week 2**
 - Announce the program to employees
 - Discuss payroll options with Bright Start
- Week 3**
 - Communicate meeting dates and times to employees
 - Set up posters and table tents throughout the office
- Week 4**
 - Conduct employee rollout meeting(s)
 - Send a follow-up email to employees, reminding them to participate
- Week 5**
 - Employee contributions may begin



\$50 for Your New Child

If your child was born or adopted on or after January 1, 2023, and you were a resident of Illinois at the time of birth or adoption, they may be eligible for a \$50 seed deposit from Illinois First Steps. Learn how to claim the funds and start saving today at BrightStart.com/FirstSteps.



The Bright Start Direct-Sold College Savings Program is sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank and Trust Company serves as Program Manager. Balances in your Bright Start account are not guaranteed or insured by Bright Start, the State of Illinois, the Illinois State Treasurer, any other state or federal agency, Union Bank and Trust Company or any of its affiliates, the Federal Deposit Insurance Corporation (except as provided in the Program Disclosure Statement solely with respect to the FDIC-insured Bank Savings Underlying Investment), or any other entity.

An investor should consider the investment objectives, risks, and charges and expenses before investing. This and other important information is contained in the Bright Start Direct-Sold College Savings Program Disclosure Statement, which can be obtained at BrightStart.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.

Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's 529 plan.

¹An individual who files an individual Illinois state income tax return will be able to deduct up to \$10,000 per tax year (up to \$20,000 for married taxpayers filing a joint Illinois state income tax return) for their total, combined contributions to the Bright Start Direct-Sold College Savings Program, the Bright Directions Advisor-Guided 529 College Savings Program, and College Illinois during that tax year. The \$10,000 (individual) and \$20,000 (joint) limit on deductions will apply to total contributions made without regard to whether the contributions are made to a single account or more than one account. The amount of any deduction previously taken for Illinois income tax purposes is added back to Illinois taxable income in the event an Account Owner takes a Nonqualified Withdrawal from an Account or if such assets are rolled over to a non-Illinois 529 plan. If Illinois tax rates have increased since the original contribution, the additional tax liability may exceed the tax savings from the deduction.

²Withdrawals used to pay for qualified college costs are free from federal and Illinois state income tax. Qualified college costs 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; and certain expenses for special needs services needed by a special needs beneficiary, apprenticeship program expenses, and repayment of up to \$10,000 of qualified education loans. The amount of any deduction previously taken for Illinois income tax purposes is subject to recapture in the event an Account Owner takes a Nonqualified Withdrawal or Illinois Nonqualified Withdrawal from an Account or if such assets are rolled over to a non-Illinois 529 plan.

³The credit may not be carried back. If the amount of the credit exceeds the tax liability for the year, the excess may be carried forward and applied to the tax liability of the five taxable years following the excess credit year. The tax credit shall be applied to the earliest year for which there is a tax liability. If there are credits for more than one year that are available to offset a liability, the earlier credit will be applied first.

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

(*except for the Bank Savings Underlying Investment)

May 2023



Michael W. Frerichs

ILLINOIS STATE TREASURER

Trustee and Administrator

UBT

Union Bank & Trust

Program Manager