



SQUEEZE 6 YEARS OF GIFTING INTO JUST 2 MONTHS



**This material is to support interest in the Scholars Choice Program.
For more information contact your Financial Professional.**

INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

Maximize your year-end gifting



By the end of 2020: Take advantage of the 2020 annual gift tax exclusion of up to \$15,000 (\$30,000 for joint filers), without incurring federal gift tax.

After January 1, 2021: Take advantage of 529's 5-Year "Accelerated Gifting" provision by gifting — in one lump sum — up to \$75,000 (\$150,000 for joint filers).¹

MAXIMUM GIFT TAX EXCLUSION

This example assumes the client has made no other gifts to the beneficiary this year (2020), and wishes to take full advantage of a) the 2020 Annual Gift Tax Exclusion (\$15,000 for individuals; \$30,000 for joint filers), and b) the "Accelerated Gifting" provision (up to \$75,000 for individuals; \$150,000 for joint filers).



¹ Source: IRS Form 709 Instructions.

The Annual Gift Tax Exclusion for 2020 is \$15,000 per individual. This planning assumes no other gifts being made to the donee by the contributor. Contributions to an account for a beneficiary between \$15,000 and \$75,000 can be prorated over a five-year period without incurring federal gift taxes or reducing an investor's unified estate and lifetime gift tax credit amount of \$11.58 million (2020). If the account owner dies before the end of the five-year period, a prorated portion of the contribution will be included in his or her taxable estate. Federal gift taxation may result if a contribution exceeds the available annual gift tax exclusion amount remaining for a given beneficiary in the year of contribution if the investor has used up his/her unified estate and gift tax credit.



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**Beat the
clock**



When contributing by mail, remember that your envelope must be postmarked by no later than December 31st in order for it to be processed as a 2020 contribution.

For more information, contact us at **800-544-7835** or visit **www.scholars-choice.com**.

About Scholars Choice

The Scholars Choice® College Savings Program offers proven multi-manager active fund management, a wide variety of investment options, low fees and competitive pricing.

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State Administrator, Trustee & Issuer



Investment Manager



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