



PRESS RELEASE

From the Louisiana Office of Student Financial Assistance

FOR IMMEDIATE RELEASE

Date: January 14, 2014

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START Deposits Top \$500 Million Mark

BATON ROUGE - The Student Tuition Assistance and Revenue Trust (START) Saving Program, Louisiana's "529" college savings plan, has surpassed the half billion dollar mark in deposits (assets).

As of December 31, 2013, total deposits in the state's 529 College Saving plan, which is administered by the Louisiana Office of Student Financial Assistance (LOSFA) stood at \$515,096,687, representing 47,825 active accounts.

The \$515,096,687 total assets figure represents a one year increase of 22.12%. Active accounts increased by 5.85%, since the end of 2012. New deposits received during 2013 totaled \$64,197,862, an increase of 2.16% over the previous year.

Finally, 8,089 disbursements of START funds to Louisiana students pursuing postsecondary education in the amount of \$24,456,315 were made during 2013. These figures represent a 15% increase in the number of disbursements and a 25.16% increase in the dollar amount of disbursements.

"Reaching these milestones clearly demonstrates that START's value-added benefits have proven to be a winning combination for Louisiana families who choose to invest in their children's education," said LOSFA Executive Director Dr. Sujuan Boutté. "Our goal is for every Louisiana family with the desire to send their children or grandchildren to college to consider the benefits of START over other savings options," she added. "No fees are charged by the state to participate and the benefits are unmatched by other programs."

"It should also be noted," Boutté concluded, "that all of these milestones were achieved without any increase in staff."

The innovative college savings program created by the Louisiana Legislature in 1995 and first implemented in 1997, meets the requirements under Section 529 of the Internal Revenue Code for a qualified college savings plan for both federal and state tax incentives.

Most accounts are eligible to receive Earnings Enhancements (EE's), a contribution from the state that matches a percentage of annual deposits made by the account

owner. The state match ranges from 2 to 14 percent, as determined by the account owner's prior year federal adjusted gross income.

Savings may be used to pay qualified expenses at any accredited college or university, in or out of state, which is eligible to participate in a Title IV program; at all Louisiana Technical and Community College campuses; and at state-approved proprietary schools eligible for federal financial aid programs.

Designed to help make education affordable for all Louisiana students, START allows account owners to save in a conservative, interest-bearing account managed by the Louisiana Treasurer (the Louisiana Principal Protection Option) or in several equity investment options managed by the Vanguard Group, Inc. Owners may also choose a combination of both.

START account owners who are Louisiana residents may deduct their annual START deposits from the income reported on their Louisiana income tax forms, up to \$2,400 per account per year, or \$4,800 per beneficiary for married account owners who file jointly.

Gov. Bobby Jindal's financial disclosure reports show the governor is an active participant in the program, routinely contributing money to accounts opened on behalf of his three children.

A recent report from Legislative Auditor Daryl Purpera's Office shows that the LOSFA-administered program is in good financial health.

For more information, contact LOSFA at 1-800-259-5626 or visit us online at www.startsaving.la.gov.

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