

**FOR IMMEDIATE RELEASE**

February 25, 2010

**CONTACT**

Chuck Penuel  
*Path2College 529 Plan*  
(404) 463-0000

Jennifer Wiggins  
AkinsCrisp Public Strategies  
(404) 816-6820  
[jwiggins@akincrisp.com](mailto:jwiggins@akincrisp.com)

**Invest in Your Children's Future and Get a  
2009 Georgia Tax Deduction**

*Path2College 529 Plan Provides Tax Advantaged Way to Save for Higher Education*

ATLANTA, Ga.—As families face their financial situation each day, looking a month, a year, ten years or more down the road is often the last thing on their minds. However, with the April 15<sup>th</sup> tax deadline quickly approaching, Georgia residents have an opportunity to invest in their children's future, and at the same time get a 2009 tax deduction.

The *Path2College 529 Plan* is a professionally managed and tax-advantaged way for families to save for college expenses, and Georgia taxpayers can receive a state income tax deduction of up to \$2,000 per year, per beneficiary, regardless of their annual income. Georgia taxpayers are not required to itemize deductions to make this adjustment to income. Please note that a transfer of funds from another state's 529 college savings plan is not eligible for the Georgia income tax deduction. The tax deduction is available for contributions to new accounts or to existing accounts.

The *Path2College 529 Plan* can be used to pay for college tuition and other qualified expenses, such as certain room and board costs, books and fees, and computer expenses for colleges in Georgia and nationwide. Any earnings in the *Path2College 529 Plan* are federal and state income tax-deferred, and withdrawals for qualified expenses are tax-free.\*

"Tax time is the perfect time to begin thinking about budgets, investments and financial planning for the future," said Chuck Penuel, director of the *Path2College 529 Plan*. "For families who haven't yet begun to save, or for those who haven't contributed the maximum amount for a deduction this year, contributing to your *Path2College* account prior to the April 15 deadline is a great opportunity financially, but more importantly, it is a sound investment for our state's children."

According to the U.S. Census Bureau, college graduates earn up to \$1 million more than high school graduates over a lifetime.

"A college investment pays for itself and you can see the value of your investment over a lifetime," said Penuel. "And with the cost of college rising each year, it's important to start early and save consistently to help offset those costs."

According to the College Board, over the past 10 years, after adjusting for inflation, average published tuition and fees in the four-year public college sector increased from about \$3,900 to \$5,800, an increase of 51 percent. In addition, more families are incurring debt by using student loans to pay for college. New numbers from the U.S. Education Department show that federal

student-loan disbursements—the total amount borrowed by students and received by schools—in the 2008-09 academic year grew about 25 percent over the previous year.

According to the *Wall Street Journal*, the new numbers highlight how debt has become commonplace in paying for higher education. Today, two-thirds of college students borrow to pay for college, and their average debt load is \$23,186 by the time they graduate, according to an analysis of the government's National Postsecondary Student Aid Study, conducted by financial-aid expert Mark Kantrowitz. Only a dozen years earlier, according to the study, 58 percent of students borrowed to pay for college, and the average amount borrowed was \$13,172.

Penuel noted that while these statistics can seem overwhelming, it's important for families to look at their individual financial situation and set realistic goals.

“It may not be realistic for families to try to save for 100% of the cost of college for each of their children,” said Penuel. “But by contributing small amounts over a long period of time families can achieve significant savings in the long run, and any amount saved may be that much less you or your child must borrow for college.”

The program web site offers more information and on-line enrollment at [www.Path2College529.com](http://www.Path2College529.com); and the customer service center at 877-424-4377 (toll free) provides live college savings specialists who can walk people through the process.

“Once an account is set up, additional contributions can be made by check, periodic electronic funds transfer, or by using our Automatic Contribution Plan that allows parents to schedule regular monthly, bi-monthly or quarterly contributions,” said Penuel.

In addition to the Automatic Contribution Plan, many participating employers offer regular contributions through payroll deduction. Account owners should contact their benefits or payroll office to determine if their employer offers payroll deduction.

The ***Path2College 529 Plan*** has over 108,000 accounts with over \$700 million in assets and is managed by TIAA-CREF Tuition Financing, Inc., which is part of the TIAA-CREF group of companies. TIAA-CREF was founded by Andrew Carnegie and is one of the largest financial services firms in the U.S. with over \$400 billion in assets under management as of September 30, 2009.

For more information on the ***Path2College 529 Plan***, visit: [www.path2college529.com](http://www.path2college529.com) or call (877) 424-4377.

**Consider the investment objectives, risks, charges and expenses before investing in the Path2College 529 Plan. Please visit [www.path2college529.com](http://www.path2college529.com) for a Disclosure Booklet containing this and other information. Read it carefully.**

**Before investing in a 529 plan, you should consider whether the state you or your Beneficiary reside in or have taxable income in has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in that state's 529 plan.**

**We are required to notify you that the tax information contained herein is not intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax penalties. It was**

**written to support the promotion of the Path2College 529 Plan. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.**

\*Non-qualified withdrawals are subject to income taxes and the federal additional 10% tax.

Account value for the Investment Options is not guaranteed and will fluctuate based upon a number of factors, including general market conditions.

© 2010 TIAA-CREF Tuition Financing, Inc., Program Manager.

C47080

**-END-**