

What is the \$eedMA Program?

\$eedMA is a new program designed by Treasurer Deborah B. Goldberg to help Worcester families invest in their child's higher education.

It provides kindergarten students with a **\$50 deposit** funded through the Office of the State Treasurer and Receiver General of Massachusetts to establish a Massachusetts 529 college savings account also known as the U.Fund College Investing Plan.

Why should you save for your child's higher education expenses?

Putting aside money early and often is the best way to build your savings and help your child pay for college. Research shows that just establishing a college savings account makes a child **7 times more likely to attend college**.¹

When covering college costs, most families aim to contribute a portion of their savings and borrow the rest through student loans. However, because you will be paying interest on these loans, saving even a little bit of money each month could decrease those costs down the road.

What is a 529 college savings account?

A 529 college savings account is a tax-advantaged account specifically **designed to help families save for college** through professionally managed portfolios of mutual funds.

When a child with a 529 account reaches college age, the funds in the account can be used to pay for qualified higher education expenses (including accredited vocational and technical training), and are exempt from federal and state income taxes.

¹ William Elliot III and Sandra Beverly, "The Role of Savings and Wealth in Reducing 'Wilt' Between Expectations and College Attendance," *George Warren Brown School of Social Work Center for Social Development* (January 2010): 1-2.



Learn more at
SeedMA.org

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**Office of the State Treasurer
and Receiver General of Massachusetts**



\$eedMA is a program that is offered through the Office of Economic Empowerment of the Office of the State Treasurer and Receiver General of Massachusetts ("Office of the State Treasurer") that provides eligible kindergarten students with a \$50 deposit to establish a U.Fund College Investing Plan account. The Economic Empowerment Trust Fund ("EETF") is administered by the State Treasurer and is a recognized 501(c)(3) non-profit organization that is statutorily authorized to support and facilitate the establishment of college savings accounts in cooperation with MEFA. Funding for the \$eedMA program is provided by the EETF and the Office of the State Treasurer implements the programmatic goals of the EETF.



**An Investment in
your Child's Future**



Invest in your Child's Future Today

What are the benefits of opening a 529 account through the \$eedMA Program?

- Every account includes a **free \$50 deposit** through the Office of the State Treasurer and Receiver General of Massachusetts.
- Funds in the account can be used to pay for a variety of higher education expenses, including tuition, fees, room and board, books, supplies, and computer equipment.
- Qualified withdrawals are free from federal and state income taxes.
- The adult account holder maintains control over the account on behalf of the student.
- There are no account maintenance fees.
- Signing up is easy through our online form.
- Each account has access to free college planning tools and resources through the Massachusetts Educational Financing Authority (MEFA).

How do I open a 529 account through the \$eedMA Program?

A 529 account through the \$eedMA Program can be opened by any eligible adult on behalf of a kindergarten student enrolled in the **Worcester Public School System** for the 2016-2017 school year.

The Office of the State Treasurer and Receiver General of Massachusetts and MEFA will be hosting enrollment events throughout Worcester during the school year. Signing up is also easy through our online form. For more information visit www.SeedMA.org.

After opening a 529 account, how do I start building my savings?

Families should aim to contribute to their 529 college savings account on a monthly basis, in whatever amount they prefer.

Here are some ideas to help your savings grow:

-  Set up a monthly Direct Deposit, either through your employer's payroll or your bank account.
-  Save a percentage of your tax refund each year.
-  Encourage your children to actively participate in saving.
-  Ask family and friends to contribute to your 529 college savings account on holidays and birthdays.

How will the \$eedMA program provide financial education to my family?

Every account established through the \$eedMA program comes with the following benefits:

-  Free access to a financial education curriculum.
-  Age-appropriate money management lessons for children and adults.
-  Direct access to additional tools and information through MEFA.

Who is MEFA?

MEFA (the Massachusetts Educational Financing Authority) is a non-profit state authority created to provide college planning information, guidance, and programs to help families plan, save, and pay for college.

The Office of the State Treasurer and Receiver General of Massachusetts is partnering with MEFA to deliver the \$eedMA program and age-appropriate financial education training to Worcester families.

What information will I need to open a 529 account through the \$eedMA Program?

For the Account Holder (Parent or other Adult):

-  Name
-  Social Security Number
-  Date of Birth
-  Legal Address
-  Phone Number
-  Email Address
-  Employment Information (if employed)

For the Beneficiary (Student):

-  Name
-  Social Security Number
-  Date of Birth
-  Legal Address