



# Help Your Clients Plan for Their Loved Ones' Futures Today.



*The state of Texas has tax-advantaged IRC Sec. 529 and 529A plans* designed to help you provide the right advice at the right time to the right client. Whether you serve clients in Texas who want to save for a loved one's future education or for a loved one with a disability without jeopardizing critical means-tested federal and state benefits, the Texas plans can help.

For 2022, individuals can gift up to \$16,000 annually (\$32,000 for married couples) per beneficiary, or if certain requirements are met, up to \$80,000 over a five-year period (\$160,000 for married couples) per beneficiary, without triggering gift tax. These gift tax exclusions are limited to the applicable annual contribution limit for 529A plans. Completed gifts are generally excluded from the donor's estate, thereby reducing potential estate tax obligations.

## **529 COLLEGE SAVINGS PLANS**

**Texas College Savings Plan® – direct sold**

**LoneStar 529 Plan® – advisor sold**

- Any U.S. citizen or legal resident 18 years of age or older may enroll (Texas residency not required).
- Save for qualified education expenses at schools nationwide, including undergraduate and graduate tuition and fees, room and board, and books.
- Funds can also be used federal tax free for K-12 tuition, for registered apprenticeship programs or to repay student loans, subject to certain federal limits. The state tax consequences of using 529 plans for K-12 tuition will vary by state and may involve taxes, penalties and recapture of tax deductions.
- Open for enrollment year round.

[TexasCollegeSavings.com](https://www.texascollegesavings.com) and [LoneStar529.com](https://www.lonestar529.com)

## **529 PREPAID COLLEGE TUITION PLAN**

**Texas Tuition Promise Fund®**

- Any U.S. citizen or legal resident 18 years of age or older may enroll if the child who is the account beneficiary is a Texas resident. If the child is not a Texas resident, his or her parent must be the purchaser and a Texas resident.
- Pay today's prices for tomorrow's undergraduate resident tuition and schoolwide required fees at Texas public colleges and universities, excluding medical and dental institutions, by purchasing tuition units.
- Transfer Value may be paid toward undergraduate tuition and schoolwide required fees at medical and dental institutions, private and out-of-state colleges and universities, career schools and registered apprenticeship programs. Transfer Value is limited to the lesser of (1) the costs the tuition unit would cover at a public college or university or (2) the original purchase price of the tuition unit plus or minus the Plan's net investment earnings or losses on that amount.
- Open for general enrollment annually Sept. 1 through Feb. 28 (29 in leap years). Enrollment for children younger than 1 year of age extends through July 31.

[TexasTuitionPromiseFund.com](https://www.texas tuition promise fund.com)

## **529A SAVINGS PLAN FOR TEXANS WITH DISABILITIES**

**Texas Achieving A Better Life Experience (Texas ABLE®) Program**

- Texas residents with a qualifying disability present prior to the age of 26 may enroll.
- An eligible individual at least 18 years of age can open and manage his or her own account, or an authorized legal representative (ex. parent, legal guardian or someone with

power of attorney for the eligible individual) may open and manage the account for the qualified beneficiary.

- Participants can save up to \$100,000 without impacting Supplemental Security Income (SSI) benefits or save up to the lifetime limit of \$500,000 if benefit eligibility is not a consideration. Annual contribution limits apply.
- Participants can conveniently use the U.S. Bank® Focus Card – the program’s prepaid debit card – for qualified disability expenses anywhere nationwide that accepts Visa® debit cards.
- Open for enrollment year round.

### [TexasABLE.org](https://www.texasable.org)

*Presentations about the Texas plans are available on request.*

Non-residents of Texas should consider whether their home state, or the beneficiary’s home state, offers its residents any state tax or other state benefits, such as financial aid, scholarship funds, and protection from creditors that are only available for participants in that state’s 529 plan.

Before investing in the **Texas College Savings Plan** or the **LoneStar 529 Plan**, investors should carefully consider the investment objectives, risks, administrative fees, service and other charges and expenses associated with municipal fund securities. Investors should read the respective Plan Description and Savings Trust Agreement carefully before investing. The account, the principal invested, and any investment return are not insured or guaranteed, or treated as a deposit or other obligation by the state of Texas, the FDIC, the Texas Prepaid Higher Education Tuition Board, any other state or federal governmental agency, or Orion, NLD or Gemini, or their respective affiliates. An account might not make money and could lose money (including the principal invested) if money is invested in these plans. Interests in these plans have not been registered with the U.S. Securities and Exchange Commission or with any state and are not deposits or other obligations of any depository institution. Total asset-based fees for the Texas College Savings Plan portfolios may be found at [TexasCollegeSavings.com/expenses](https://www.texascollegesavings.com/expenses), and total asset-based fees for the LoneStar 529 Plan may be found at [LoneStar529.com/expenses](https://www.lonestar529.com/expenses). Fees are subject to change. Only the account owner may direct or receive withdrawals, or may direct rollovers, account changes, and changes in the designated beneficiary.

**Texas Tuition Promise Fund** purchasers should carefully consider the risks, administrative fees, service and other charges and expenses associated with the contracts, including plan termination and decreased transfer or refund value. Transfer Value applies to Tuition Unit redemption at medical and dental institutions, private and out-of-state colleges and universities, career schools and registered apprenticeship programs. Purchasers should read the Plan Description and Master Agreement carefully before purchasing a contract. A contract, including the amount contributed, and any amount applied as a benefit or paid

as a refund is not guaranteed, insured, or treated as a deposit or other obligation by any state or federal governmental agency, or any other entity. The contracts have not been registered with or approved by the U.S. Securities and Exchange Commission or with any state. Participation in the Texas Tuition Promise Fund does not guarantee admission to or graduation from any college or university. Only the purchaser may direct rollovers, contract changes, withdrawals and changes in the designated beneficiary.

Other than FDIC insurance for the Bank Savings Account Option, **Texas ABLE Program** accounts are not insured or guaranteed and could lose money (including the principal invested). Accounts in the program have not been registered with or approved by the U.S. Securities and Exchange Commission or with any state. Before investing in the program, investors should carefully consider the federal and state tax consequences, possible negative effects on eligibility for federal or state benefits, possible Medicaid recapture, investment objectives, risks, administrative fees, service and other charges and expenses associated with the Program. Investors should read the Disclosure Statement and Participation Agreement carefully before investing.

The **Texas College Savings Plan**, the **LoneStar 529 Plan**, the **Texas Tuition Promise Fund** and the **Texas ABLE Program** (the “Plans”) are established and maintained by the Texas Prepaid Higher Education Tuition Board. Orion Advisor Solutions, Inc. (“Orion”) is the plan manager of the Plans. The Texas College Savings Plan, the LoneStar 529 Plan and the Texas ABLE Program are administered by Gemini Fund Services, LLC (“Gemini”) and distributed by Northern Lights Distributors, LLC (“NLD”), member FINRA, SIPC. Gemini and NLD are not affiliated with Orion.

Plan disclosure statements and agreements may be obtained at the following websites or by calling the numbers below:

[TexasCollegeSavings.com](https://www.texascollegesavings.com) / 800-445-GRAD (4723), option #3

[LoneStar529.com](https://www.lonestar529.com) / 800-445-GRAD (4723), option #4

[TexasTuitionPromiseFund.com](https://www.texas tuition promise fund.com) / 800-445-GRAD (4723), option #5

[TexasABLE.org](https://www.texasable.org) / 844-4TX-ABLE (844-489-2253)

Anyone interested in personalized information regarding any information shared in this brochure should consult with a tax or legal advisor.

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