



# SHOPPING WITH A PURPOSE

What if your holiday shopping could amount to more than just a heftier than usual credit card bill in January? If you had the chance to gain something more than checking names off your list, would you take it? This year, Christmas shop with a purpose. The purpose being your children and your grandchildren... shopping to earn cash back rewards towards their college savings.

Shopping with UPromise, you have that opportunity. If you're not familiar with UPromise, take a look at their website to learn more and get informed. You can earn up to 5% back your online shopping once you become a member. Ask other family members to join in for the children this Christmas and in future to support a gift that truly keeps giving.

## **Take it to the next level and tie in 529 plans.**

A 529 is a tax-advantaged savings plan. 529 Plans were designed to encourage saving for college, but the benefit doesn't stop there.

### **The Benefits of a 529 Plan**

- With a 529 savings account, earnings are not subject to federal or state tax when used for qualified higher education expenses, include, but are not limited to;
  - Tuition and mandatory fees.
  - Computers, books, supplies.
  - Room and board when enrolled at least half-time.
  - Some qualified loan repayment.
- Many states offer tax credits or deductions on contributions.
  - California Residents: While contributions are not deductible for California income tax purposes, earnings accrue free of state income tax.
- There are no age restrictions. Meaning you can fund your grandchild's education or your own continued studies in retirement.
- Funds can be used for tuition K-12, college, university, or any eligible higher education institution.

You can link your UPromise credits to your State 529 plan of choice. Let your contributions then grow tax free. Considering continuing your education yourself in your retirement? 529 plans can also benefit you in this situation.

Contact the team at LBDIAS to discuss opening a my529® account and how it may work within your financial plan strategy. Contact us by phone 714-541-4180, email [info@lbdias.com](mailto:info@lbdias.com) or at your next scheduled financial plan meeting.

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