## Balancing Education & Retirement:

# Everything you've heard is true. Unless it's not.

### "It's either save for my retirement or my kids' education. We can't do both."

**Not true.** Helping your kids save for the future doesn't have to mean sleeping on their couch when you retire. Saving for both is possible, especially if you start early. One tip: Contribute to both automatically from a bank account or your paycheck (if available). Set it and forget it!

### "Retirement is a necessity. Education is a luxury."

**Not true.** By 2020, 65% of all job openings will require a post-secondary education, such as college or vocational training.[1] Investing for your retirement is important, but so is saving for your child's education.

### "We have a lifetime to save for retirement, but only 18 years to save for college."

**True.** And while it may be tempting to put your retirement nest egg on hold till after college, don't! Consider starting with smaller, manageable contributions to both, then let time and compounding interest help do the work.

### "We can borrow for college, but we can't borrow for retirement."

**True.** BUT those over 60 are becoming the fastest-growing segment of student loan borrowers; in fact, between 2005 and 2015, their numbers quadrupled to almost 3 million![2] As a result, many dip into retirement savings to repay student loans, or postpone retiring altogether.

### "We didn't start saving early enough. Borrowing is our only option."

**Not true.** Most parents can only save a portion of what their children will need for education, and that's ok! Every dollar saved could be one less dollar you'll have to borrow later on. Other ways to reduce education costs: choose a community college, live at home vs. a dorm, and work part-time while at school.

### "We can just take money for college out of retirement saving. It's the same as having a 529 account."

**Not true.** Saving with 529 plans offer special tax benefits. For example, with a CollegeChoice Direct account, Indiana taxpayers could earn an Indiana state tax return equal to 20% of your contributions, up to $1,000 a year.[3]

CollegeChoice 529
DIRECT SAVINGS PLAN

[1]Recovery: *Job Growth and Education Requirements Through 2020*, Georgetown University, June 2013.

[2]*Snapshot of Older Consumers and Student Loan Debt*, Consumer Financial Protection Bureau, January 2017.

[3]This credit may be subject to recapture from the account owner (not the contributor) in certain circumstances, such as a rollover to another state's qualified tuition program or a non-qualified withdrawal. Please note that, effective January 1, 2010, the Indiana state income tax credit will no longer apply to rollovers from another state's qualified tuition program or to transfers from the Upromise service into a CollegeChoice 529 account. All other contributions will continue to be eligible for the tax credit to the extent previously allowable.

**For more information about the CollegeChoice 529 Direct Savings Plan ("CollegeChoice 529"), call 1.866.485.9415 or visit www.collegechoicedirect.com to obtain a Disclosure Statement, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing.**

**Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.**

CollegeChoice 529 is administered by the Indiana Education Savings Authority (Authority). Ascensus Broker Dealer Services, LLC ("ABD"), the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services, and marketing. CollegeChoice 529's Portfolios invest in: (i) mutual funds; (ii) a stable value account held in trust by the Authority at Vanguard; and/or (iii) an FDIC-insured omnibus savings account held in trust by the Authority at NexBank.

Investment returns will vary depending upon the performance of the Portfolios you choose. Except to the extent of FDIC insurance available for the Savings Portfolio, depending on market conditions, you could lose all or a portion of your money by investing in CollegeChoice 529. Account Owners assume all investment risks as well as responsibility for any federal and state tax consequences.

**Not FDIC-Insured (except for the Savings Portfolio). No Bank, State, or Federal Guarantee. May Lose Value.**

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