

# COLLEGE ILLINOIS!®

529 PREPAID  
TUITION PROGRAM

Enrollment  
Kit  
2015-2016



Enroll Now at  
[collegeillinois.org](http://collegeillinois.org)



WHAT IS A  
**529**  
PLAN?

A 529 PLAN IS  
A TAX-ADVANTAGED  
PLAN DESIGNED TO  
ENCOURAGE FAMILIES  
TO SET ASIDE FUNDS  
FOR FUTURE  
COLLEGE COSTS.

## THE COLLEGE ILLINOIS!<sup>®</sup> 529 PREPAID TUITION PROGRAM

**More than 30,000 students have gone to college using College Illinois! benefits.**  
The College Illinois! 529 Prepaid Tuition Program was created to help make college a reality for Illinois families by freezing the cost of college, protecting you from tuition inflation.

### THE COLLEGE ILLINOIS! DIFFERENCE

Prepaid tuition plans and college savings plans operate under the same federal 529 umbrella and are both offered by the State of Illinois. The two types of plans have several similarities. For example, both types of Illinois 529 plan funds are held separate from state funds and professionally managed by third-party money managers. In addition, both types of plans offer an Illinois income tax deduction and tax-free earnings when benefits are used for qualified higher education expenses. Here are some of the ways the plans differ:



### 529 COLLEGE SAVINGS PLAN

#### 529 PREPAID TUITION PROGRAM

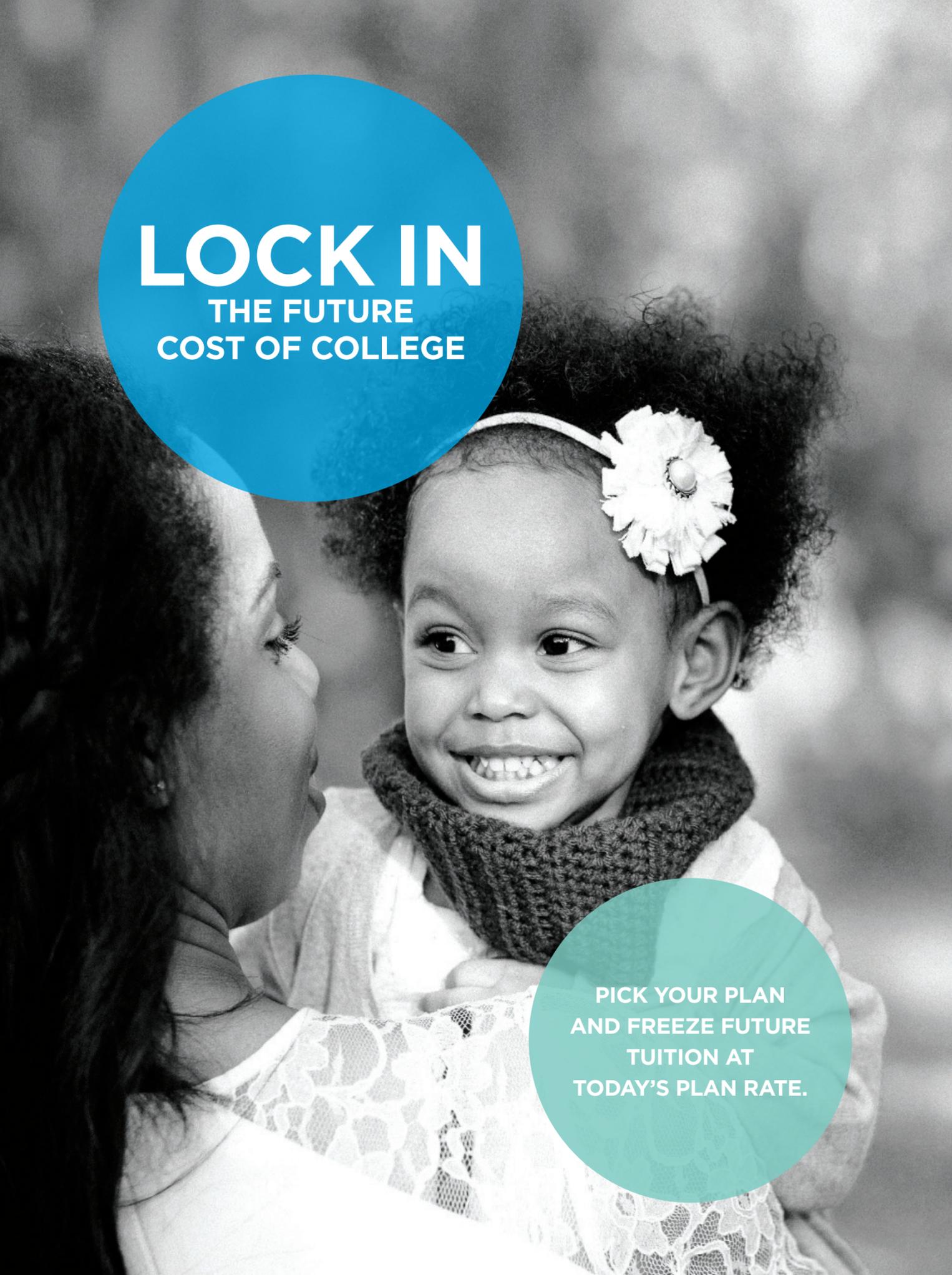
- Purchase semesters of college now, locking in the future cost of tuition at today's plan rate.
- Eliminate uncertainty about the future cost of tuition at Illinois public colleges and universities. With a College Illinois! Prepaid Tuition Plan, you know tuition and mandatory fees will be covered.
- Pay one price now that will cover tuition and mandatory fees for each semester you purchase at the colleges and universities in your plan, or apply the future value of those semesters to most private or out-of-state colleges.

#### 529 COLLEGE SAVINGS PLAN

- Save money to pay at the future rate of tuition when your child is ready to attend college.
- Funds available to pay for the future cost of college will depend on how much you have saved and how well your investments have performed by the time your child is ready to enroll.
- Save money that can be used to help cover costs for tuition, fees, books, and/or room & board.

**Have more questions about the difference between 529 prepaid tuition and college savings plans?**

Visit [collegeillinois.org/aboutcollegeillinois](https://collegeillinois.org/aboutcollegeillinois) or call **1.877.877.3724** to learn more.



# LOCK IN THE FUTURE COST OF COLLEGE

PICK YOUR PLAN  
AND FREEZE FUTURE  
TUITION AT  
TODAY'S PLAN RATE.

## PICK YOUR PLAN IN 3 SIMPLE STEPS

College Illinois! 529 Prepaid Tuition secures your child's future education.

1

### Choose a flexible prepaid tuition plan.

Explore three distinct plans, each with their own price and payment options. Then choose how many semesters to purchase. Remember, you can use your benefits at schools across the country—not just in Illinois.

2

### Pick a payment option that fits your budget.

Make monthly, annual or lump-sum payments depending on your plan and the age of your child. Find a payment plan to fit your family's needs with the Plan Finder and other easy-to-use calculation tools on the College Illinois! website.

3

### Prepay at today's plan pricing and avoid tuition inflation.

Once you choose your plan and payment option, the price is locked in. This means your payments will not increase, regardless of tuition increases. Purchase your plan today and freeze the cost of education for your child.

Need help choosing a College Illinois! plan for your budget?

Visit [collegeillinois.org/PlansAndPricing](https://collegeillinois.org/PlansAndPricing) to use the Plan Finder.



COLLEGE ILLINOIS!  
PLANS ARE  
**NOT  
LIMITED**  
TO ILLINOIS COLLEGES

## CHOOSE FROM 3 PLAN OPTIONS

The program's 3-tier system gives you the flexibility to purchase plans that cover 100% of in-state tuition and mandatory fees at qualified Illinois\* public higher education institutions. You can purchase anywhere from 1 to 9 semesters, depending on the plan.



COMMUNITY  
COLLEGE

### Choice 1 covers:

- 100% in-district tuition and mandatory fees at all Illinois community colleges
- Purchase up to 4 semesters



UNIVERSITY

### Choice 2 covers:

- 100% in-state tuition and mandatory fees at all Illinois public universities, *excluding* the University of Illinois Urbana-Champaign (UIUC)
- Purchase up to 9 semesters
- Choice 2 combination plan: 4 Community College semesters and 4 University semesters



UNIVERSITY+

### Choice 3 covers:

- 100% in-state tuition and mandatory fees at all Illinois public universities, *including* UIUC
- Purchase up to 9 semesters
- Choice 3 combination plan: 4 Community College semesters and 4 University+ semesters

## STUDENTS HAVE USED COLLEGE ILLINOIS! TO ATTEND COLLEGES AND UNIVERSITIES ACROSS THE NATION

Although the plans are geared toward Illinois community colleges and universities, they can also be used toward private or out-of-state schools. The mean-weighted-average value of in-state tuition and mandatory fees at the Illinois public institutions in your plan at the time your student attends college can be applied toward tuition and mandatory fees at most colleges and universities throughout the country.

College Illinois! is committed to making college happen for Illinois families in the simplest way possible. For more information on how your benefits can be used at different institutions, go to [collegeillinois.org](https://collegeillinois.org).

## FLEXIBLE PLANS FOR FLEXIBLE FUTURES

No matter how your child's education plays out, College Illinois! has you covered. For example, if you purchase a Choice 1 Community College Plan and your student chooses to attend UIUC, you can still use those benefits to reduce your tuition costs at UIUC. And if you purchase a Choice 3 University+ Plan and your student chooses to attend a community college or university, you can use your Choice 3 benefits to cover more semesters and/or receive a refund.

If your student receives a college scholarship, any unused benefits can be held for future use or transferred over to another family member. Unused benefits can also be refunded to the purchaser on a semester-by-semester basis up to the amount of the scholarship.

If your child chooses not to attend college, your plan can be held for future use, transferred to another family member, or you may receive a refund.

\*For private or out-of-state schools, benefits are based on the mean-weighted-average value of tuition and mandatory fees at the colleges and universities included in the plan you purchased at the time your child enrolls in college.

**Need more help finding the right plan?**

Go to [collegeillinois.org/PlansAndPricing](https://collegeillinois.org/PlansAndPricing) to use our Plan Finder.

## PREPAYING FOR COLLEGE HAS ITS ADVANTAGES

A College Illinois! 529 Prepaid Tuition Plan offers a wide range of benefits and tax advantages that make planning for college costs a great decision. Here are some powerful reasons to enroll right now:

### MEANINGFUL TAX ADVANTAGES

The increased value of a College Illinois! Plan is 100% exempt from Illinois State income tax. Contributions may also be deducted from Illinois State income within limits. On a federal level, benefits include 100% tax-exempt earnings and a gift-giving tax exemption. All tax benefits require that the funds be used for educational purposes as defined by the IRS.\*

### FLEXIBLE PLANS

You can purchase up to 9 semesters with multiple plan and payment options to fit your budget. College Illinois! allows you to increase or decrease the number of semesters in your plan at any time prior to the benefits being paid out.

### ADAPTABLE BENEFITS

Your plan benefits can be used at almost any college or university in the country. If your child decides to transfer schools, benefits can be used at more than one school during their college career. Unused benefits can also be applied to graduate study or transferred to another member of the family.

### SIMPLE PURCHASING

Any U.S. resident 18 or older can purchase a plan for a future student. College Illinois! has a 1-year Illinois residency requirement that can be met by the purchaser or the beneficiary.

### VERSATILE FUNDS

You can transfer funds from another qualified tuition program, Coverdell Education Savings Account or certain series of U.S. Savings Bonds to your College Illinois! account or another qualified tuition program.

\*College Illinois! cannot provide you with any legal or tax advice. Please consult your tax advisor concerning Federal and State tax implications of purchasing a contract.

#### Still need more information?

Email us at [isac.529info@isac.illinois.gov](mailto:isac.529info@isac.illinois.gov) or call us at 1.877.877.3724.

For the next event in your area, visit [collegeillinois.org/events](http://collegeillinois.org/events).



COLLEGE ILLINOIS!  
FUNDS ARE HELD IN A  
**SEPARATE  
TRUST FUND**  
AT THE NORTHERN  
TRUST COMPANY

THE COLLEGE  
ILLINOIS! TRUST FUND IS  
PROFESSIONALLY MANAGED  
BY AN EXPERIENCED TEAM  
AND ESTABLISHED  
THIRD-PARTY MONEY  
MANAGERS.

## FREQUENTLY ASKED QUESTIONS

### Am I limited to an Illinois college?

Benefits can be used almost anywhere. We pay full in-state or in-district undergraduate tuition and mandatory fees at any Illinois public university or community college. Plus, your benefits can be used toward tuition and mandatory fees at most private Illinois colleges and universities, as well as colleges and universities throughout the U.S.

### What will the College Illinois! 529 Prepaid Tuition Program cover?

The Program covers in-state or in-district tuition and mandatory fees only for the number of semesters purchased within each plan. Each semester is equal to 15 credit hours. Mandatory fees are required as a condition of enrollment for all students.

### Who can be covered by a College Illinois! 529 Prepaid Tuition Plan?

Any resident of Illinois can be designated as a beneficiary from the moment of birth. No maximum age limits apply. Non-residents can be designated as beneficiaries, provided that the purchaser has resided in Illinois for at least 12 months immediately prior to purchase.

### When can I use my plan?

Benefits can be used three years after the first payment due date. The Plan must be paid in full prior to use.

### Who can contribute to a College Illinois! 529 Plan?

Anyone! Grandparents, family members and friends can make payments into a plan.

### Can I cancel my plan?

Yes, at any time. The amount of the refund depends on the particular circumstances and is subject to applicable fees and service charges.

### Who manages the College Illinois! 529 Prepaid Tuition Program?

Oversight of the Program is provided by the Illinois Student Assistance Commission, an agency of the State of Illinois, which was established more than 50 years ago with the mission of making college affordable for Illinois students. The Program complies with the requirements relating to qualified tuition programs under Section 529 of the Internal Revenue Code of 1986 and Illinois law.



**NEWBORN\*  
ENROLLMENT UNTIL  
AUGUST 31,  
2016**

**\*CHILDREN BORN ON  
OR BETWEEN  
SEPTEMBER 1, 2015 AND  
AUGUST 31, 2016.**

**Enroll Today!  
collegeillinois.org  
1.877.877.3724**

**Enrollment Open  
November 2, 2015 -  
May 31, 2016**

**Lock in the cost of college  
today and secure your child's  
future education.**

**Enroll Today!**  
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**1.877.877.3724**



College Illinois!® 529 Prepaid Tuition Program  
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