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*Sherwood Investment Services*  
Financial Planning & Investment Management

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*The Savvy Investor*  
**Save For College ... Tax-Free**  
**529 Plan Overview**

The IRS allows you to save for your children or grandchildren's college expenses **completely tax-free** with the 529 Plan.

## **Tax Advantages**

Contributions, savings and earnings on your savings all grow tax-deferred. And when the funds come out for qualified higher education expenses, they are completely free from federal income taxes.

## **Affordable**

There's no minimum annual amount to invest. Invest as little as \$50 regularly through automatic withdrawals, or as much as \$70,000 in a single year without any federal gift taxes. The lifetime maximum contribution per beneficiary (child) is \$250,000. And there are no minimum annual contribution requirements.

## **Flexibility**

The beneficiary designation can be changed to another individual. Should a beneficiary child receive a scholarship or decide not to attend college, account benefits can be transferred to another qualified family member.

## **Investment Choices**

In the plans selected by us, there are many different investment portfolios to choose from. Some are age-based portfolios and other portfolios do not change their investment mix with age. All portfolios provide a variety of investment objectives.

## **Your Next Step**

Please contact us if you would like more information on how you can make college more affordable.