



**Press Release from College Foundation, Inc.**

**8/2/07**

**State tax deduction for N.C. 529 college savings plan now available to all N.C. taxpayers**

- *Money* magazine picks N.C. 529 plan as “top choice” -

Raleigh, N.C. - The state tax deduction for North Carolina’s 529 college savings plan has been expanded by the N.C. General Assembly and signed into law by Gov. Mike Easley.

For tax year 2007, North Carolina taxpayers making contributions to North Carolina’s National College Savings Program can deduct contributions of up to \$2,500 for an individual and \$5,000 for a married couple filing jointly. The adjusted gross income limits no longer apply.

NC income tax forms may reference contributions made to an account in the Parental Savings Trust Fund of the State Education Assistance Authority, which is the trust fund that holds all the assets of North Carolina’s National College Savings Program. Contributors to NC’s 529 plan should consult a financial, tax or other advisor to learn more about how this deduction will apply to their particular circumstances.

In addition, the August 2007 edition of *Money* magazine named North Carolina’s 529 plan a “top choice” for North Carolina residents, based on reasonable expenses and a tax break on contributions.

North Carolina’s National College Savings Program currently offers 15 investment alternatives. Options range from conservative to aggressive. Individual investment options include the N.C. Treasurer Dependable Income Fund, MetLife Protected Stock Fund, Wachovia/Evergreen Balanced Fund, NCM Capital Aggressive Stock Fund, and seven Vanguard individual investments. There are two age-based investment options, the Seligman College *Horizon* Funds and three Vanguard Age-based Options.

For more information or to enroll, visit [www.NC529.org](http://www.NC529.org), or call College Foundation of North Carolina (CFNC) for more on the savings program, toll free at 800-600-3453.