

The State of Oregon wants to give your child \$150 for College Tuition.

A NEW refundable tax credit of up to \$150 (\$300 if married filing jointly) is available for Oregonians who make contributions to an Oregon 529 College Savings account. To qualify for the credit, you must make contributions during tax years beginning on or after January 1, 2020. For tax year 2020, contributions may be made up until the date the return is filed or April 15, 2021, whichever is earlier.

An Oregon 529 College Savings Network account is a state-sponsored plan, that qualifies for special tax status under (IRC Section 529). Account holders can save money for qualified college expenses for any designated beneficiary.

The income (AGI) determines the percentage of the contributions made during the year. If your AGI is at least \$0 and not more than \$30,000, the credit is 100% of your contribution with a maximum of \$150 (\$300 if married filing jointly).

So if your 2 year old child (or any age), with \$0 income, contributes \$150 to a Oregon 529 College Savings account, and files an Oregon 2020 income tax return, your child can claim a refund of \$150.

And repeat again, in the following years.

There is a penalty for withdrawals that are not for qualified college expenses.

Contact your tax professional for detail.