

The State of Oregon wants to give your child \$170 for College Tuition.

A refundable tax credit of up to \$170 (\$340 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, 2021. For tax year 2023, contributions may be made up until the date the return is filed or April 15, 2024, 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 \$170 (\$340 if married filing jointly).

So if your 2 year old child (or any age), with \$0 income, contributes \$170 to a Oregon 529 College Savings account, and files an Oregon 2023 income tax return, your child can claim a refund of \$170. The parent or someone else can gift or lend the \$170 to the child. The child (with an adult's help), can contribute \$170 to their own Oregon 529 plan or another's 529 plan.

And repeat again, in the following years.

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

Starting in 2024, unused 529 savings may be rolled-over into a Roth IRA. This can be use just incase the child does not go to college. Certain requirements must be met.

So with the new 529 rollover option and the Oregon \$170 refundabel credit, can you think of any reason an Oregon child of any age, would not want to make a contribution to a Oregon 529 college tuition plan?