

Indiana529 Plans FAQs

- 1. What is a 529 Plan?** A 529 Plan is a unique way to compound savings for educational expenses for college or private K-12 tuition. A 529 Plan allows a family to earn money through interest on their contributions, offers tax free growth on the investment, and tax free withdrawals on qualifying educational expenses.
- 2. Can Christian Academy advise me on if/how to use my specific 529 funds?** No. For specific information regarding your 529 Plan and payment options, contact your 529 Plan Administrator or financial advisor.
- 3. How do I create a 529 Plan?** Contact a financial advisor or go directly to [Indiana 529 Direct](#) to set up an account.
- 4. Do I need to have a large sum of money to open an account?** No. You can open an account at [Indiana 529 Direct](#) for a minimum of \$10.
- 5. How do I save up to \$1,500 in Indiana state taxes while paying for tuition at Christian Academy?** Only available through [Indiana529](#), Indiana taxpayers may be eligible for a 20% state income tax credit on their contributions to an Indiana529 Plan up to \$1,500 per year (\$750 for married filing separately). You can contribute and withdraw from your 529 Plan in the same year. Third party contributors like grandparents, family, friends who are Indiana tax payers may also be eligible for a 20% Indiana tax credit for contributions to your student's 529 Plan.
- 6. How does it work?** After a family creates a 529 Plan for their student and makes a contribution, they would request a withdrawal from the account to pay tuition expenses. Funds would be deposited into a family's checking account, and then the family would pay Christian Academy directly.
- 7. What if I have more questions?** Visit this website to find out more information and specific guidelines for Indiana529 Plans: [Indiana 529 Direct General Questions](#). Call 1-866-485-9415 or email clientservice@indiana529direct.com.