



Education Planning Recommendations Example

- a. Sarah – You currently have \$10,000 saved for Sarah’s education and are saving \$6,000/year into an out-of-state 529 account. According to our analysis, to fully fund her college goal, you would need to save \$23,758/year until her first year of college.
- b. Blake - You currently have \$2,000 saved for Sarah’s education and are saving \$2,000/year into an out-of-state Bright Directions 529 account. According to our analysis, to fully fund her college goal, you would need to save \$13,863/year until his first year of college.
- c. Samantha - You currently have \$80,000 saved for Sarah’s education and are saving \$10,000/year into an out-of-state Bright Directions 529 account. According to our analysis, to fully fund her college goal, you would need to save \$40,957/year until her first year of college.

We recommend rolling your out-of-state 529 accounts into Illinois Bright Directions accounts so that you are able to take advantage of the Illinois state tax deduction. Since Samantha will begin college first, we recommend continuing to contribute \$10,000/year into her 529 account. We recommend contributing \$5,000/year each into Sarah and Blake’s 529 accounts. You have enough in taxable assets to cover the gap between college costs and 529 accounts.

These examples are for illustrative purposes only and should not be construed as individual advice.