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Invest Your Tax Refund

Go Online – It's Fast, Easy & Secure!

CollegeCounts 529 Visa<sup>®</sup>

CollegeCounts<sup>SM</sup>  
529 FUND



Offered by the State of Alabama

**UB UNION BANK**  
& TRUST COMPANY.

Program Manager

**Investment Products:**  
• Not FDIC Insured  
• No Bank Guarantee  
• May Lose Value

### FEE REDUCTION

The CollegeCounts 529 Fund was excited to announce a fee reduction for many of the Age-Based, Target, and Individual Fund Portfolios in mid-December. The goal of the program is to continue to offer you an attractive and cost-effective way to save for college.

### MORNINGSTAR COMMENTS

The following excerpts were taken from the Morningstar analysis regarding the CollegeCounts Direct and Advisor Plans in their annual ratings ➔

*“Union Bank & Trust took over this plan in June 2010 from Van Kampen and immediately upgraded the program.”*

*“...both plans are much improved following changes to underlying funds and lowered fees.”*

### 2010 ALABAMA TAX DEDUCTION REPORTING

If you have contributed to your CollegeCounts 529 Fund account in 2010 up to \$10,000 of your contributions are tax deductible (\$5,000 for single filers)<sup>1</sup>. Check with your tax professional and the Tax Center & Resources on the CollegeCounts site for additional information regarding 2010 tax reporting.

This is a great time to start contributing to CollegeCounts to benefit from the 2011 Alabama income tax deduction. Don't put off your contributions – Start Now!

### 2010 GIFT TAX REPORTING

If you made larger gifts for 2010 (ie: typically over \$13,000), make sure to mention them to your tax professional so they can determine if any special IRS filings are required. If you took advantage of the special 5-year front-loading election allowed for 529 plans, please notify your tax professional so they can prepare any necessary Gift Tax Return. **The due date for filing is April 18, 2011.**

### 2010 TAX REPORTING FORM 1099-Q

If a distribution was taken from a CollegeCounts account in 2010, the recipient will receive a Form 1099-Q from us later this month. If the distribution was payable to the Account Owner, the 1099-Q will be mailed to the Account Owner. 1099-Q's for distributions payable to either the beneficiary or school will be mailed to the beneficiary. We recommend that you keep your 1099-Q as well as all invoices, receipts, and any documentation regarding qualified college costs with your tax papers in the event you ever receive a tax question from the IRS or Alabama Department of Revenue.

### INVEST YOUR TAX REFUND

If you will be receiving a Federal or State tax refund, consider depositing it into your CollegeCounts account. Your Alabama and Federal tax form will provide a section that allows you to have your refund deposited directly into a bank account.

Here is the information you will need:

Routing Number: 

1	0	4	9	1	0	7	9	5
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Type of Account: Savings  
Account #: 

3	5	2	9											
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\* after 3529 include your 9 or 10 digit CollegeCounts 529 Fund account number

### GO ONLINE – IT'S FAST, EASY & SECURE!

Did you know that you can do all of the following online:

1. Make a one-time contribution
2. Set up an automatic investment plan
3. Request a withdrawal
4. Change your investment allocation
5. Update address & contact information
6. Sign up for e-delivery of statements

If you have not utilized the online capabilities available through CollegeCounts, call us and we will help you get set up. You can reach our customer care representatives at (866) 529 – 2228.

### 1.529% REWARDS WITH COLLEGE COUNTS

Apply for the new CollegeCounts 529 Rewards Visa<sup>®</sup> card to help save even more for future college expenses. Earn a 1.529% reward on everyday purchases, which will be deposited right to your CollegeCounts account. Apply online at [www.CollegeCounts529.com](http://www.CollegeCounts529.com) and start using the card for your all your shopping! The 1.529% reward is a great way to add additional dollars to your CollegeCounts account without changing your spending or saving habits!

Best wishes  
for the New Year!

<sup>1</sup>A deduction, not to exceed \$5,000 per taxpayer, is allowed as an adjustment to income on the Alabama income tax return for contributions made to the CollegeCounts 529 Fund or the PACT Program. The deduction may equal an amount up to \$10,000 for married taxpayers filing a joint return where both taxpayers are making such contributions into the CollegeCounts 529 Fund or the PACT Program (closed to new investors).