



ACCELERATED GIFTING

HOW TO MAKE THE MOST OF YOUR 529 CONTRIBUTION

ACCELERATED GIFTING

lets you contribute up to 5x the federal annual gift tax exclusion — gift-tax-free.



COMPARE YOUR OPTIONS

	ANNUAL GIFT TAX EXCLUSION FOR 2024	ACCELERATED GIFTING TAX EXCLUSION LIMIT*
INDIVIDUAL	\$18,000 MAX PER DONEE PER YEAR	\$90,000 (\$18,000 x 5)
MARRIED COUPLE	\$36,000 MAX PER DONEE PER YEAR	\$180,000 (\$36,000 x 5)

YEAR	GIFTING YEAR	CONTRIBUTION	YEAR-BY-YEAR EXCLUSION
2024	1	\$180,000	\$36,000
2025	2	\$0	\$36,000
2026	3	\$0	\$36,000
2027	4	\$0	\$36,000
2028	5	\$0	\$36,000

A REAL-WORLD EXAMPLE

The Sullivans want to contribute to their grandson’s college education **and** potentially reduce their taxable estate at the same time. So they open a 529 plan for Jack. At the end of 2024, they make an upfront contribution of \$180,000. Accelerated gifting allows the Sullivans to maximize the initial contribution without gift tax consequences and potentially removes \$180,000 from their combined taxable estate.

*Maximum accelerated gifting uses the donor’s annual gift tax exclusion for gifts to the beneficiary for the current year and next four years. Any further gifts from the donor to the beneficiary during the five-year period may require filing a gift tax return, unless the annual gift tax exclusion amount increases. To fully remove the contributions from the donor’s taxable estate, the donor must survive to January 1 of the fifth calendar year.



USE ACCELERATED GIFTING TO:

- Help family members or friends reach their higher education goals faster
- Potentially remove hundreds of thousands of dollars from your taxable estate
- Retain full ownership and control of the accounts you've opened
- Take advantage of the power of federal income tax-free compounding over time and tax-free qualified withdrawals
- Avoid generation-skipping transfer tax and a reduction in your unified credit by staying within your annual gift tax exclusion



FREQUENTLY ASKED QUESTIONS:

Q: Which form should I file?

A: To make your five-year gift election, discuss IRS Form 709, the United States Gift (and Generation-Skipping Transfer) Tax Return, with your tax advisor.

Q: Can I make a gift to more than one person?

A: Yes. You can make an accelerated gift to more than one 529 account by naming different beneficiaries.

Q: Will I get a state tax deduction on my gift?

A: Your 529 contributions may be eligible for a state tax deduction, credit or other benefit, depending on state-specific rules and your circumstances. Ask your tax advisor for specifics.

To find out more, call **888.244.5674** or visit columbiathreadneedle.com.



Please consider the investment objectives, risks, charges and expenses carefully before investing. Contact your financial advisor or visit columbiathreadneedle.com for a Program Description, which contains this and other important information about the Future Scholar 529 College Savings Plan. Read it carefully before investing. You should also consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.

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Withdrawal of earnings not used for qualified higher education expenses will be subject to federal and possibly state and local income tax and may be subject to an additional 10% penalty.

The tax information set forth in this flier is general in nature and does not constitute tax advice on the part of Columbia Management Investment Distributors, Inc. or its affiliates. The information cannot be used for the purposes of avoiding penalties and taxes. Consult with your tax advisor regarding how aspects of a 529 plan relate to your own specific circumstances.

Please remember there's always the potential of losing money when you invest in securities.

Not FDIC or NCUA Insured | No Financial Institution Guarantee | May Lose Value

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CF-FS/113111 F (03/24) LLN/5472820.2