

## Withdrawals for Fall Semester

The start of another school year is right around the corner. It's amazing how the summer days fly by! If you will need to withdraw funds from your CollegeCounts account to pay for expenses this fall here are some important reminders to keep in mind:

1. You can quickly and easily request a withdrawal via your secure account portal at **CollegeCounts529advisor.com**. Once logged in, simply select "Transact Online" to get started.
2. It's a good idea to request withdrawals well in advance of payment deadlines. Withdrawals payable to a school will be issued via check. Please allow 7-10 days for mail time.
3. CollegeCounts does not require you to provide proof of your withdrawals. In case of questions or an audit in the future, we recommend you keep documentation of withdrawals and expenses with your tax paperwork.
4. Qualified expenses include tuition and fees at eligible educational institutions, books supplies and equipment required for enrollment or attendance, computers, computer equipment or software, or internet access for the beneficiary, and room and board expenses (if the student is enrolled on a half-time basis or more).<sup>1</sup>
5. Distributions can be made payable to an Account Owner, Beneficiary or an educational institution. For tax reporting reasons, we are unable to issue a check to any third party.
6. Remember to match your qualified expenses and the withdrawals from your account in the same calendar year. Any withdrawals for 2021 expenses should be completed before December 31, 2021.

For more detailed information about distributions from your CollegeCounts account, visit **[CollegeCounts529advisor.com/benefits/use-of-funds](http://CollegeCounts529advisor.com/benefits/use-of-funds)**. Please discuss any tax-related questions about withdrawals from an account with your tax professional.

## CONGRATULATIONS 2021-22 SCHOLARSHIP RECIPIENTS!

*"Education is the most powerful weapon which you can use to change the world."*  
– Nelson Mandela

In May, CollegeCounts was proud to award scholarships to almost 350 Alabama students who will be first-time college freshmen at Alabama colleges in the fall. We received 900 applications from students in 65 of the 67 counties across the state of Alabama and awarded at least one scholarship in each of those 65 counties. Students enrolling in a 2-year college were eligible for an award up to \$2,000 and those planning to enroll in a 4-year college were eligible for an award up to \$4,000. This year's awards totaled nearly \$1.2 million dollars to help students with their college expenses during the 2021-22 school year. Since 2013, CollegeCounts has awarded over \$8.5 million to hard-working Alabama students. This year's scholarship recipients have overcome some incredible obstacles to graduate high school and prepare for college. We are confident that this group of talented students will most certainly effect tremendous change in our communities, state and world by furthering their education after high school. Warm congratulations to all the recipients of the 2021-22 CollegeCounts Scholarship! For more information about the scholarship, please visit **[Treasury.Alabama.gov/collegecounts-scholarship](http://Treasury.Alabama.gov/collegecounts-scholarship)**.



## Invest for the Long-term

While the markets have experienced exceptional performance over the last year, market returns are difficult for even the most experienced investment experts to predict. Focusing on your long-term investment goals and matching your investment option to your risk tolerance can be helpful during periods of market uncertainty. Sticking with a plan by keeping that long-term mindset has the potential to prevent investors from making emotional decisions as the markets ebb and flow. CollegeCounts offers detailed information about the available investment options in the plan at [CollegeCounts529advisor.com](https://CollegeCounts529advisor.com). Remember to discuss your investment-related questions with your financial professional to obtain their advice and guidance.

## Alabama Sales Tax Holiday Weekend

If you haven't finished shopping for school supplies, don't forget to take advantage of Alabama's Back-to-School Sales Tax holiday from July 16-18, 2021. During that weekend, shoppers can purchase certain school supplies, computers, and clothing free of state sales tax (local sales tax may apply). For a list of the participating localities, be sure to visit the Alabama Department of Revenue website at [Revenue.Alabama.gov](https://Revenue.Alabama.gov) and search for "school sales tax holiday". Get your school supply lists ready and make sure you take advantage of the sales tax holiday for your school and college expenses!

## Update your Address and Contact Information

Have you moved recently? Is your current phone number and email address on file for your CollegeCounts account? It's a good idea to periodically review your contact information to ensure it is up-to-date. You can log in online at [CollegeCounts529advisor.com](https://CollegeCounts529advisor.com) to review or edit your contact information under "Account Profile".

**An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This, and other important information, is contained in the fund prospectuses and the CollegeCounts 529 Fund Advisor Plan Program Disclosure Statement (issuer's official statement), which can be obtained from a financial professional and on [CollegeCounts529advisor.com](https://CollegeCounts529advisor.com) and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement.**

**An investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 plan. Investors should consult a tax advisor.**

The CollegeCounts 529 Fund is a qualified tuition program under Section 529 of the Internal Revenue Code that is offered by the State of Alabama and administered by the Board of Trustees of the ACES Trust Fund (the "Trust" and plan issuer).

<sup>1</sup> Withdrawals used to pay for qualified higher education expenses are free from federal and Alabama state income tax. Qualified higher education expenses include tuition, fees, books, supplies, and equipment required for enrollment or attendance; certain room and board expenses incurred by students who are enrolled at least half-time; the purchase of computer or peripheral equipment, computer software, or Internet access and related services if used primarily by the beneficiary during any of the years the beneficiary is enrolled at an eligible educational institution; and certain expenses for special needs services needed by a special needs beneficiary. The earnings portion of a non-qualified withdrawal is subject to federal income tax and 10% federal penalty tax. In addition, Alabama provides in the event of a non-qualified withdrawal an amount that must be added back to the income of the contributing taxpayer. The amount to be added back will be the amount of the non-qualified withdrawal plus 10% of the amount withdrawn.

<sup>2</sup> Subject to credit approval. Full details appear in the CollegeCounts 529 College Savings Visa® Card Brochure, Application, Credit Disclosures, Agreement, and Rewards Program Terms and Conditions. The card is administered and issued by Union Bank & Trust Company pursuant to a license from Visa® U.S.A. All terms, including reward points, fees, and APRs for transactions, may be subject to change. Net purchases are defined as the dollar value of goods and services purchased with a card beginning with the first day of the billing cycle that includes the cardholder's enrollment date minus any credits, returns, or other adjustments as reflected on the monthly billing statement. Rewards of at least \$50 must accumulate for an automatic transfer to the designated CollegeCounts 529 account(s) each quarter.

## CollegeCounts Visa® Rewards Card<sup>2</sup>

CollegeCounts offers a Visa® Rewards card<sup>2</sup> that can help you build even more funds for future education expenses. The card offers a 1.529% reward for everyday purchases that will be automatically invested each quarter in your CollegeCounts account(s). Families that have an average budget of \$1,500 per month for expenses such as gas, groceries, entertainment, or other items could accumulate up to \$275 in additional contributions for their CollegeCounts account each year. Without changing spending habits and paying off the balance of the card each month, cardholders can build up additional funds toward future education expenses. Learn more at [CollegeCounts529advisor.com/benefits/Visa-rewards](https://CollegeCounts529advisor.com/benefits/Visa-rewards) and apply today!

## College Savings Planner

Are you curious about how much you might consider investing for your family's educational needs? CollegeCounts offers a College Savings Planner that can help create a customized report that is designed to help you see how your current saving and investing efforts will help your beneficiaries in the future. By entering some simple information like your beneficiary age(s), current account balance(s), planned contributions, and a hypothetical rate of return you can quickly see how much you may accumulate for future education expenses. Visit [CollegeCounts529advisor.com/resources/college-savings-planner](https://CollegeCounts529advisor.com/resources/college-savings-planner) to see your customized report today.

NOT FDIC INSURED\* / NO BANK GUARANTEE / MAY LOSE VALUE

(\*except the Bank Savings 529 Portfolio underlying investment)

**Summer is what memories are made of. Enjoy these special days!**

  
**CollegeCounts**  
ADVISOR-GUIDED 529 FUND