



Utah Educational  
Savings Plan ®

## News Release

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### **Utah Educational Savings Plan Turns 10** *Governor, Lawmakers, and Families Celebrate*

(Salt Lake City, Utah) – The Utah Educational Savings Plan (UESP) marks its 10<sup>th</sup> year today with birthday cake and remarks by the legislator who created the program.

"With the tremendous growth in UESP over the last ten years, it is apparent that an ever-increasing number of Utahns are seeing the benefits of saving for college," says former Representative Doug Peterson (R), Riverdale. "Today I am opening a UESP account for my one year-old son, Jake. Seventeen years from now when he begins college, he will have the resources to make the most of his education, wherever he chooses to go."

Duane Hill was the first Utahn to begin saving with UESP. He opened UESP accounts for his granddaughters when they were three and one years old. "It's hard to believe 10 years have gone by since I began saving for Marley and Kira. The girls have grown. Fortunately, so have their college savings."

John Carlquist's parents also opened his college savings account ten years ago, he is now 25. "This spring, I graduated with honors from the University of Utah. Having a UESP account really helped with the bills, and I was able to finish school without going into debt."

For a child, turning 10 is a very big deal. Ten-year-olds can write in cursive, multiply, and read chapter books. And, for the first time, they have 2 digits in their age.

For UESP, turning 10 is also a very big deal.

"We now have over \$1.6 billion invested, and more than 77,000 accounts," says Lynne Ward, UESP Director. "And, thanks to the support of Utah's Congressional Delegation, UESP's federal tax benefits were made permanent by Congress and President Bush."

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The federal tax exemption for 529 plans, like UESP, was set to expire after December 31, 2010. Congress recently made the federal tax exemption for section 529 college savings plans permanent, as part of the Pension Protection Act (H.R.4). President Bush signed the act into law on August 17, 2006. This means that withdrawals for qualified college expenses from 529 plans, such as the Utah Educational Savings Plan (UESP), taking place on or after January 1, 2011, will continue to be tax exempt.

Governor Jon M. Huntsman, Jr. declared September 2006 to be College Savings Month, coinciding with the celebration of National College Savings Month. “Because of increased earning potential and economic development for our state, Utah youth need to prepare for higher education, participate in higher education, and complete their degree or certificate,” says Christine Kearl, Deputy for Education to the Governor.

UESP, Utah’s 529 college savings program, makes it a cinch to start saving for college. UESP requires no minimum deposits or balances, so families can save a little or a lot, according to their own schedules. UESP is highly-ranked by *Morningstar* and is recommended by *Newsweek*, *Money Magazine*, and the *Wall Street Journal*. UESP does not require funds to be used within the state of Utah, but does require that schools participate in federal student aid programs to be eligible. UESP offers favorable federal tax benefits, gift tax benefits, and, for Utah taxpayers, Utah state tax benefits and reduced fees. To learn more about UESP, call 1.800.418.2551 or visit [www.uesp.org](http://www.uesp.org).

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### **Disclosures**

Investments in UESP are not guaranteed by any state or federal agency. You could lose money.

Read the Program Description for more information and consider all risks, objectives, and expenses before investing. Call 1.800.418.2551 for a copy of the Program Description, or visit [www.uesp.org](http://www.uesp.org).

Non-Utahns should check their and their beneficiary’s state’s 529 plan for state tax or other benefits not offered through UESP.

The earnings portion of a nonqualified withdrawal is subject to federal income tax, any applicable state tax, as well as an additional 10 percent federal penalty tax.