

Name(s) shown on Form IT-40/IT-40PNR

Your Social Security Number

  

Enter information about contributions made by you and/or your spouse to Indiana's CollegeChoice 529 Education Savings Plan(s) during 2020.

Column A	Column B	Column C	Column D
Place "X" in box if you or your spouse <u>do not</u> own the account.	Enter Account #	Higher Education. Enter the amount contributed this year to offset current or future higher education expenses.	K-12 Education. Enter the amount contributed this year to offset current or future K-12 education expenses.
1. <input type="checkbox"/>	<input type="text"/>	<input type="text"/> .00	<input type="text"/> .00
2. <input type="checkbox"/>	<input type="text"/>	<input type="text"/> .00	<input type="text"/> .00
3. <input type="checkbox"/>	<input type="text"/>	<input type="text"/> .00	<input type="text"/> .00
4. <input type="checkbox"/>	<input type="text"/>	<input type="text"/> .00	<input type="text"/> .00
5. <input type="checkbox"/>	<input type="text"/>	<input type="text"/> .00	<input type="text"/> .00
6. <input type="checkbox"/>	<input type="text"/>	<input type="text"/> .00	<input type="text"/> .00
7. <input type="checkbox"/>	<input type="text"/>	<input type="text"/> .00	<input type="text"/> .00
8. <input type="checkbox"/>	<input type="text"/>	<input type="text"/> .00	<input type="text"/> .00
9. <input type="checkbox"/>	<input type="text"/>	<input type="text"/> .00	<input type="text"/> .00
10. Add lines 1C through 9C _____		<input type="text"/> .00	
11. Add lines 1D through 9D _____			<input type="text"/> .00
12. Add lines 10 and 11 _____			<input type="text"/> .00
13. Multiply line 12 by .20 _____			<input type="text"/> .00
14. Enter the lesser of the amount on line 13, 1000, or 500 if married filing separately _____			<input type="text"/> .00
15. Enter the amount from Form IT-40 or Form IT-40PNR, line 8 _____			<input type="text"/> .00
16. Allowable credit. Enter the lesser of line 14 or line 15. Also enter under line 6 of Schedule 6 (if filing Form IT-40), or under line 6 of Schedule G (if filing Form IT-40PNR) <b>Total Credit</b>			<input type="text"/> .00



## Instructions for Schedule IN-529

You may be eligible for a credit if you and/or your spouse made a contribution to Indiana's CollegeChoice 529 Investment Plan.

**NEW.** The first year to be eligible to claim this credit when filing as married filing separately (MFS) is 2020. If filing MFS, each spouse can claim a maximum credit up to \$500 of each spouse's own contribution or 20% of each spouse's own contribution, whichever is less. See instructions for line 14.

While there are many 529 savings plans available both in Indiana and nation-wide, only contributions made to the Indiana CollegeChoice 529 Investment Plan are eligible for this credit. This plan is governed by the Indiana Education Savings Authority. To determine if your contribution is to a plan that is eligible for this credit, visit their Web site at [www.in.gov/ies](http://www.in.gov/ies).

### Who may claim this credit?

This credit is available:

- To an individual filing a single tax return
- To a married couple filing a joint tax return
- To a married couple filing separate tax returns

### How may these contributions be used?

Contributions to this plan are made on behalf of a beneficiary, and are to be used to pay for:

- Qualified higher education expenses, and/or
- Indiana K-12 tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school located in Indiana. Note: A private school includes a homeschool recognized by the Internal Revenue Service as a private school.

### An eligible contribution will not include:

- Contributions made to an account that will be transferred to an ABLE account
- Money credited to an account as a result of bonus points or other forms of consideration earned by the taxpayer that result in a transfer of money to the account
- Money transferred from any other qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan
- Qualified education loan repayments under Section 529(c)(9) of the Internal Revenue Code

### Who must file Schedule IN-529?

Anyone who makes a contribution to a qualified plan and claims this credit must include Schedule IN-529 when filing their tax return.

**Account owner.** The account owner is the individual or entity (such as a trust, estate, partnership, etc.) who has the right to select or change a beneficiary, and to control the distribution of the funds.

**Contribution.** A cash deposit made for the benefit of the account beneficiary.

**Important.** You must complete the first 8 lines of your Indiana state tax return, Form IT-40 or Form IT-40PNR, before you can complete this schedule.

### Lines 1 – 9 Instructions

#### Column A

Check the box if you/your spouse made a contribution to an account you do not own. If you/your spouse are the account owner, do not check the box.

**Example 1.** John opened a qualified *CollegeChoice 529 Investment Plan* for his son Nate, and is the account owner. John's mother (Nate's grandmother) made a contribution to the plan John established. She will claim a credit based on her contribution, and will check the box in Column A because she is not the account owner (John is).

#### Column B

Enter the account number of each qualified account to which you/your spouse made a contribution. The account numbers may be:

- 11 digits long, and begin with "61" or "62",
- 10 digits long, and begin with "200", "201", "208" or "209", and/or
- 16 digits long, starting with "200" or "201".

**Note.** Attach additional sheets if you contributed to more than nine qualified plans.

#### Column C – Higher Education Contributions

On each line enter the total annual contribution you/your spouse made during the year to each account for purposes of paying for qualified higher education expenses.

**Example 2.** John contributed \$7,200 to his account during the year to help pay for qualified higher education expenses. He will enter \$7,200 in Column C on the same line matching the account number (in Column B).

#### Column D – K-12 Education Contributions

On each line enter the total annual contribution you/your spouse made during the year to each account for purposes of paying for K-12 tuition.

**Example 3.** Maria made a \$600 contribution to the *CollegeChoice 529 Investment Plan* account set up by her son for her granddaughter. She is making this contribution to help pay for her granddaughter's K-12 tuition. She checked the box in Column A because she is not the account owner. She listed the account number in Column B, and reported the \$600 contribution in Column D.

**Combination of higher education and K-12 education contributions to same account –** It is acceptable to use one account to make contributions for both levels of education.

**Example 4.** Micah opened a *CollegeChoice 529 Investment Plan* account for his nephew when he was born four years ago. This year he contributed \$800 to this account for higher education and \$300 for K-12 education. He entered the account number on line 1, Column B, the \$800 higher education contribution in Column C, and the \$300 K-12 education contribution in Column D.



**Lines 10 – 16 instructions**

**Line 10** – Add amounts on lines 1 – 9 in Column C.

**Line 11** – Add amounts on lines 1 – 9 in Column D.

**Line 12** – Add lines 10 and 11.

**Line 13** – Multiply line 12 by 20% (.20).

**Line 14** – Enter the lesser of the amount on line 13, \$1,000, or \$500 if married filing separately (MFS).

**Example 5.** Justin and Jill are filing as married filing jointly. They made a \$7,000 total contribution to their child's plan. They will enter \$1,000 on line 13 ( $\$7,000 \times 20\% = \$1,400$ , further limited to \$1,000 for MFJ).

**Example 6.** Cole and Lauren are filing as married filing separately. Cole contributed \$4,000 to their child's plan. Cole will enter \$500 on line 14 ( $\$4,000 \times 20\% = \$800$ , further limited to \$500 for MFS). Lauren did not make any contribution to the plan this year, so she will not be claiming a credit on her return.

**Line 15** – Enter the state adjusted gross income tax from line 8 of Form IT-40 or Form IT-40PNR.

**Line 16** – Enter the lesser of line 14 or line 15. Also enter under line 6 on Schedule 6 if filing Form IT-40 or under line 6 on Schedule G if filing Form IT-40PNR.

**Use of credit.** Any unused credit is not eligible for carryback or carryforward; nor may it be sold, assigned, or transferred to anyone else.

Get Information Bulletin 98 at [www.in.gov/dor/3650.htm](http://www.in.gov/dor/3650.htm) for more information about this credit.