Schedule IN-529
Form IT-40/IT-40PNR
State Form 53385 (R2 / 9-08)

Schedule IN-529: Indiana's CollegeChoice 529 Education Savings Plan Credit

2008

Enclosure Sequence No. 18

Enter your first and last name and spouse's first and last name if filing a joint return.

Your Social Security Number

Enter information about contributions made by you and/or your spouse during 2008 to Indiana's CollegeChoice 529 Education Savings Plan(s).

Column A **Check box if you (and/or spouse) do not own the account.**	Column B **Enter Account #**	Column C **Enter smaller of total annual contribution(s) from you (and/or spouse) per account during 2008 or $5,000.**		Column D **Lines 1 - 4: Multiply Column C by .20**	
☐			1		
☐			2		
☐			3		
☐			4		
Add total from lines 1 through 4 (attach additional sheets if necessary)			5		
LIMITATION			6	**1, 0 0 0**	
Enter the smaller amount from Column D, lines 5 or 6			7		
Enter the amount from IT-40 line 16 or IT-40PNR line 12			8		
Allowable credit: Enter the smaller amount from Column D, lines 7 or 8. Also enter under line 6 of Schedule 2 or, if filing IT-40PNR, under line 6 of Schedule E			9		

Instructions for Schedule IN-529

You may be eligible for a credit of as much as $1,000 if you (and/or your spouse) made a contribution during the year to a *CollegeChoice 529 Investment Plan*.

A 529 college savings plan is a reference to Section 529 of the Internal Revenue Code. Contributions to this type of plan are made on behalf of a beneficiary, and are to be used to pay qualified higher education expenses. While there are many 529 college savings plans available both in Indiana and nation-wide, only contributions made to the *CollegeChoice 529 Investment Plan* are eligible for the credit.

Do you have an eligible contribution?

The *CollegeChoice 529 Investment 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/iesa

Who must file Schedule IN-529?

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

Definitions

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.

Note. The credit is available to an individual filing a single return or a married couple filing a joint return.

Specific instructions

Important: You must complete the first 16 lines of your 2008 Indiana state tax return, Form IT-40, before you can complete this schedule (if filing Form IT-40PNR, you must complete the first 12 lines).

Column A
Check the box if you (and/or your spouse) made a contribution to an account you do not own. If you (or your spouse) are the account owner, do not check the box.

(Instructions continue on the next page)

Example. 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
During 2008 the *CollegeChoice 529 Investment Plan* acquired a new plan administrator. The 2008 year-end statement from the new administrator will have an account number. Enter the account number of each qualified account to which you (and/or your spouse) made a contribution. The new qualified account numbers must be 11 digits long, and begin with "61" or "62".

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

Column C
On each line enter the smaller of the total annual contribution you (and/or your spouse) made to each account during 2008 or $5,000.

Example. John contributed $500 to his qualified account each month. His total annual contribution was $6,000. He will enter $5,000 in Column C.

Column D
Lines 1 – 4
Multiply the amount(s) on Column C, lines 1, 2, 3 and 4 by 20 percent (.20) and enter the result in Column D.

Example. John has $5,000 on line 1 in Column C. He will enter $1,000 ($5,000 x .20) on line 1 in Column D.

Line 5
Add the amounts on line 1 through line 4 in Column D. Enter the total amount here.

Line 6
The maximum credit you can claim each year is $1,000.

Line 7
Compare the amount on line 5 with the $1,000 maximum amount on line 6. Enter the smaller amount here.

Example. Brenda made a $500 contribution to the *CollegeChoice 529 Investment Plan*. She entered $500 on line 1 in Column C; she multiplied the $500 by .20 and entered the $100 result on line 1 in Column D. She will enter $100 on line 7 (it is the smaller of the $100 on line 5 or $1,000 from line 6).

Line 8
Look at line 16 from your 2008 Indiana tax return, Form IT-40. Enter the amount from there on this line (enter the amount from line 12 if you are filing a Form IT-40PNR).

Example. Brenda has $800 on her 2008 IT-40, line 16. She will enter $800 on this line.

Line 9
Look at the amounts on line 7 and line 8. Enter the smaller amount on line 9.

Example. Brenda has $100 on line 7, and $800 on line 8. She will enter $100 (the smaller of the two amounts) on line 9.

This is your allowable credit. Enter this amount under line 6 of Schedule 2 (Schedule E if filing Form IT-40PNR), and use code **8 3 7**.

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 for more information about this credit.