

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

2009

Enclosure Sequence No. 10

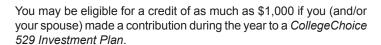
Name(s) shown on Form IT-40/IT-40PNR	Your Social Security Number			

Enter information about contributions made by you and/or your spouse to Indiana's CollegeChoice 529 Education Savings Plan(s) during 2009.

Round all entries

Column A	Column B	Column C		Column	D	
Check box if you (and/or spouse) do not own the account.	Enter Account #	Enter smaller of total annual contribution(s) from you (and/or spouse) per account during 2009 or \$5,000.		Lines 1 - 8: N Column C I		
			.00	1	•	00
			.00	2		00
			.00	3		00
			• 00	4	•	00
			• 00	5	•	00
			• 00	6	•	00
			• 00	7	•	00
			. 00	8	•	00
Add total from lines 1 through 8 (attach additional sheets if necessary)				9	•	00
		LIMITA	ATION	10	1,000	00
Enter the smaller amount	11		00			
Enter the amount from IT-	12	•	00			
Allowable credit: Enter the enter under line 6 of Sche	13	•	00			

Instructions for Schedule IN-529



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

Note: For tax years beginning after Dec. 31, 2009, a contribution will not include:

- 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, and/or
- Money transferred from any other qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan.

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 8 lines of your Indiana state tax return, Form IT-40 or Form IT-40PNR, before you can complete this schedule.

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.

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

Enter the account number of each qualified account to which you (and/or your spouse) made a contribution. The account numbers must be 11 digits long, and begin with "61" or "62".

Note. Attach additional sheets if you contributed to more than eight 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 the tax year 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 - 8

Multiply the amount(s) on Column C 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 ($5,000 \times .20$) on line 1 in Column D.

Line 9

Add the amounts on line 1 through line 8 in Column D. Enter the total amount here.

Line 10

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

ine 11

Compare the amount on line 9 with the \$1,000 maximum amount on line 10. 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 11 (it is the smaller of the \$100 on line 9 or \$1,000 from line 10).

Line 12

Look at line 8 from your Indiana tax return, Form IT-40 or Form It-40PNR. Enter the amount from there on this line.

Example. Brenda has \$800 on her IT-40, line 8. She will enter \$800 on this line.

Line 13

Look at the amounts on line 11 and line 12. Enter the smaller of these amounts on line 13.

Example. Brenda has \$100 on line 11, and \$800 on line 12. She will enter \$100 (the smaller of the two amounts) on line 13.

This is your allowable credit. Enter this amount under line 6 of Schedule 6 (Schedule G 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.

