

THE IMPORTANCE OF A 529 PLAN

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Investing toward college education is crucial to securing a bright future for our children. The more educated our children are, the better chance they will have to succeed in life. By the time a newborn today leaves for college, the average cost of a 4-year private education could be over \$500K in future dollars. Although this number is daunting, starting early will give our money time to grow.

According to the [Washington University in St. Louis's Center for Social Development](#), children with small savings accounts that are dedicated to college are more than 3 times more likely to enroll in college than their peers without any dedicated savings. They're also more than 4½ times more likely to graduate.

There are many options to save and invest for future college expenses, but 529 accounts one of the simplest/easiest ways to contribute money that can grow and be withdrawn tax-free for qualifying college expenses. Investing a lump sum is a great way to jump start a 529 account (extended family members can also make direct contributions), but if that's not possible, implementing a monthly contribution will help accumulate a meaningful amount of tax-free money over time.