

State Tax Deductions for Contributions to 529 Plans

Presented by Josh Moscov

Alabama	Contributions to any Alabama 529 plan of up to \$5,000 per year (\$10,000 if married filing jointly) are deductible. Contributions must be received on or before December 31.
Alaska	Not applicable. Alaska does not have a state income tax.
Arizona	Contributions to Arizona and non-Arizona 529 plans of up to \$2,000 per year (\$4,000 if married filing jointly) are deductible. Contributions must be postmarked by December 31.
Arkansas	Contributions to any Arkansas 529 plan of up to \$5,000 per year (\$10,000 if married filing jointly) are deductible. Contributions must be made or postmarked by December 31 and received on or before specific plan dates.
California	None.
Colorado	Contributions to any of Colorado's 529 plans are deductible to the extent of the contributor's federal taxable income. Rollover contributions are not eligible for the deduction. Contributions must be postmarked by December 31.
Connecticut	Contributions to the Connecticut 529 plan of up to \$5,000 per year (\$10,000 if married filing jointly) are deductible, with a five-year carry forward of excess contributions. Rollover contributions are not deductible. Contributions must be postmarked by December 31 or made by the final business day of the year.
Delaware	None.
District of Columbia	Account owners may deduct up to \$4,000 of contributions per year to the District of Columbia 529 plan. Married or domestic partner taxpayers filing joint returns may deduct up to \$8,000 per year. Excess contributions may be carried forward as deductions for five subsequent years. Rollover contributions are not deductible. Contributions must be postmarked by December 31.
Florida	Not applicable. Florida does not have a state income tax.
Georgia	Contributions to the Georgia 529 plan of up to \$2,000 per beneficiary per year are deductible. Rollover contributions are not deductible. Contributions must be made by April 15 of the following year.
Hawaii	None.
Idaho	Contributions of up to \$4,000 per year (\$8,000 if married filing jointly) are deductible. Contributions must be received by December 31.
Illinois	Contributions to the Illinois 529 Savings Plan or the Illinois Prepaid Tuition Program of up to \$10,000 per year (\$20,000 if married filing jointly) are deductible. Only the principal portion of rollover contributions is eligible for the deduction. Contributions must be made or postmarked by December 31.
Indiana	A 20-percent tax credit on contributions of up to \$5,000 per year (\$1,000 maximum credit) to an Indiana 529 plan can be claimed against Indiana income tax. Contributions must be completed and processed by December 31.

Iowa	Contributions to an Iowa 529 plan of up to \$3,098 per beneficiary per year in 2014 (\$6,916 if married filing jointly) are deductible. The maximum deduction increases each year with inflation. Only contributions made by the account owner are deductible. Contributions must be made or postmarked by December 31.
Kansas	Contributions to any Kansas or non-Kansas state-sponsored 529 plan of up to \$3,000 per beneficiary per year (\$6,000 if married filing jointly) are deductible. Rollover contributions are not deductible. Contributions must be made on or before December 31.
Kentucky	None.
Louisiana	Contributions to the Louisiana 529 plan of up to \$2,400 per beneficiary per year (\$4,800 if married filing jointly) are deductible. Excess contributions may be carried forward in subsequent tax years. Double deductions of up to \$4,800 (individual) and \$9,600 (married filing jointly) per year may be claimed for an account opened for an eligible needy, nonrelated beneficiary. Contributions must be made on or before December 31.
Maine	Contributions to any Maine or non-Maine 529 plan of up to \$250 per beneficiary are deductible for taxpayers with federal adjusted gross income of \$100,000 or less (single or married filing separately) or \$200,000 or less (joint or head of household). Contributions must be received by the last business day of the year.
Maryland	Contributions made by the account owner to the Maryland College Investment Plan of up to \$2,500 per beneficiary (\$5,000 if married filing jointly) per year are deductible, with a 10-year carry forward of excess contributions. Rollover contributions are deductible if not previously deducted. Contributions must be made or postmarked by December 31.
Massachusetts	None.
Michigan	Net contributions to the two Michigan 529 savings plans of up to \$5,000 per year (\$10,000 if married filing jointly) are deductible. The net contribution amount is determined by reducing contributions by qualified withdrawals made during the year. The net contribution amount to each account can be aggregated for a total contribution deduction for the tax year. Contributions to the Michigan Prepaid 529 Plan are fully deductible. Rollover contributions are not deductible. Contributions must be made on or before December 31.
Minnesota	None.
Mississippi	Contributions to the Mississippi MACS 529 plan of up to \$10,000 per year (\$20,000 if married filing jointly) are deductible in computing Mississippi taxable income. Contributions to the Mississippi Prepaid 529 Plan are fully deductible. Contributions must be made by April 15 of the following year.
Missouri	Account owners (or spouses filing a joint return) may deduct up to \$8,000 per year (\$16,000 if married filing jointly) for contributions to any Missouri or non-Missouri 529 plan. Rollover contributions are not deductible. Contributions must be made or postmarked by December 31.

Montana	Montana residents may deduct contributions to <i>any</i> state 529 plan of up to \$3,000 per year (\$6,000 if married filing jointly). Only contributions made by the account owner, the account owner's spouse, or the account owner's custodian or parent are deductible. Contributions must be made or postmarked by December 31.
Nebraska	Effective 2014, account owners may deduct up to \$10,000 (single and married filing jointly) or \$5,000 (married filing separately) per year for contributions made to any of Nebraska's 529 plans. Contributions must be made or postmarked by December 31.
Nevada	Not applicable. Nevada does not have a state income tax.
New Hampshire	Not applicable. Nevada does not have a state income tax.
New Jersey	None.
New Mexico	Contributions to any of New Mexico's 529 plans are fully deductible. Total deductions cannot exceed the "cost of attendance" at the applicable eligible higher education institution. Contributions must be made on or before December 31.
New York	Account owners (or spouses filing a joint return) may deduct up to \$5,000 per year (\$10,000 if married filing jointly) of contributions to any of New York's 529 plans. Contributions must be made or postmarked by December 31.
North Carolina	None. North Carolina eliminated the state income tax deduction in 2014.
North Dakota	North Dakota residents may deduct up to \$5,000 per year (\$10,000 if married filing jointly) of contributions made to the North Dakota 529 plan. Contributions must be made on or before December 31.
Ohio	Contributions to any of Ohio's 529 plans of up to \$2,000 per contributor (or married couple) per beneficiary per year are deductible, with an unlimited carry forward of excess contributions. Contributions must be made on or before December 31.
Oklahoma	Contributions to any of Oklahoma's 529 plans of up to \$10,000 per year (\$20,000 if married filing jointly) are deductible, with a five-year carry forward of excess contributions. Contributions must be made by April 15 of the following year.
Oregon	Contributions to any of Oregon's 529 plans of up to \$2,265 for 2014 (\$4,530 if married filing jointly) are deductible, with a four-year carry forward of excess contributions. Contributions must be made by April 15 of the following year.
Pennsylvania	Contributions to any Pennsylvania or non-Pennsylvania 529 plan of up to \$14,000 per beneficiary in 2014 are deductible. Spouses must have a minimum taxable income of \$14,000 each to take the maximum deduction of \$28,000. Rollover contributions are not eligible for the deduction. Contributions must be made or postmarked by December 31.
Rhode Island	Account owners may deduct up to \$500 per year (\$1,000 if married filing jointly) of contributions made to the Rhode Island 529 plan, with an unlimited carry forward of excess contributions. Rollover contributions are not deductible. Contributions must be made on or before December 31.
South	Contributions to any of South Carolina's 529 plans are fully deductible.

Carolina	Contributions must be made by April 15 of the following year.
South Dakota	Not applicable. South Dakota does not have a state income tax.
Tennessee	Not applicable. Tennessee does not have a state income tax.
Texas	Not applicable. Texas does not have a state income tax.
Utah	In 2014, account owners may take a maximum tax credit of \$93 per beneficiary per year (\$1,860 in contributions multiplied by 5 percent). For married taxpayers filing jointly, the maximum credit is \$186 per beneficiary per year (\$3,720 in contributions multiplied by 5 percent). The beneficiary must be under the age of 19 when the account is established. Contributions must be received by the last business day of the year.
Vermont	Account owners (or spouses filing a joint return) may take a 10-percent tax credit on the first \$2,500 (\$5,000 for married filing jointly) contributed per beneficiary per year to the Vermont 529 plan (maximum \$250 credit per beneficiary per year). The principal portion of a rollover from another 529 plan is eligible for the credit to the extent that funds remain in the Vermont plan for the remainder of the year. Contributions must be made or postmarked by December 31.
Virginia	Account owners may deduct up to \$4,000 per account per year in the year of contribution to any of Virginia's 529 plans, with an unlimited carry forward of excess contributions. Contributions are fully deductible for taxpayers age 70 or older. Contributions must be received by the last business day of the year.
Washington	Not applicable. Washington does not have a state income tax.
West Virginia	Contributions to any of West Virginia's 529 plans are fully deductible. Contributions must be made or postmarked by December 31.
Wisconsin	Contributions to any of Wisconsin's 529 plans of up to \$3,050 per beneficiary per year are deductible by the owner of the account or a person authorized to contribute to the account, such as a parent, grandparent, great-grandparent, aunt, or uncle of the beneficiary, if the beneficiary of the account is the owner's or authorized person's child, grandchild, great-grandchild, niece, or nephew. Effective 2010, parents no longer need to claim their child as a dependent in order to claim the deduction. For married couples filing separately, the maximum deduction each contributor can claim is \$1,525 (combined total of \$3,050). For divorced parents, a divorce judgment may specify a different division of the \$3,050 combined maximum. Contributions must be made or postmarked by December 31.
Wyoming	Not applicable. Wyoming does not have a state income tax.

All information as of 11/2014

The fees, expenses, and features of 529 plans can vary from state to state. 529 plans involve risk, including the possible loss of funds. There is no guarantee a college-funding goal will be met. Earnings must be used to pay for qualified higher education expenses to be federally tax-free. The earnings portion of a nonqualified withdrawal will be subject to ordinary income tax at the recipient's marginal rate and subject to a 10-percent penalty. By investing in a plan outside of your state of residence, you may lose any state tax benefits. 529 plans are subject to enrollment, maintenance, and administration/management fees and expenses.

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