

Bloomwell

NEWS

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MAKE A NEW YEAR'S RESOLUTION TO SAVE.

January is an ideal time to take stock of what we have achieved and plan for what can bloom in the year to come. As inflation and education tuition rates surge, it's more important than ever to make your dollars work hard for you. Start 2022 on the right foot by nurturing your child's Bloomwell 529 account. Here are three tips to help:

- ▶ Evaluate your budget. Are there monthly splurges to cut back, i.e., monthly subscriptions?
- ▶ Increase your automatic contributions. Boosting a monthly deposit by \$20, \$50, or another amount will add up!
- ▶ Review your investment portfolio with your financial advisor to make sure your asset allocation is in line with your risk tolerance and comfort level.

By saving today, you prepare for the future. Make 2022 a year of growth for your college savings.

TAX SEASON IS ALMOST HERE.

Preparing for tax season can be stressful. We want to help with a few reminders about which forms may apply to you as a Bloomwell 529 account owner.

For more assistance, talk to your tax and financial professional.

IRS FORM 1099-Q

Did you make a withdrawal in 2021? Watch for this form, which should arrive in early February 2022.

NEBRASKA FORM 1040N SCHEDULE I

If you're an account owner, parent/guardian, or custodian of a UGMA/UTMA account, and you contributed up to a maximum of \$10,000 (\$5,000 if married, filing separately) in 2021, you may claim a state tax deduction.¹ List your contribution amount on Line 16.

IRS FORM 709

Discuss this form with your tax professional if your account beneficiary received gifts over \$15,000 (\$30,000 for a married couple splitting gifts).



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529 EDUCATION SAVINGS

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Don't miss this scholarship opportunity.

If you have a seventh or eighth grader, encourage them to enter the upcoming "Why I Want to Go to College" writing contest, sponsored by the Nebraska State Treasurer's Office and the Omaha Storm Chasers. In their essay, students are asked to reflect on the value of an education and what they hope to achieve through higher education. Winners will receive up to \$2,000 for a Bloomwell account!

▶ THE "WHY I WANT TO GO TO COLLEGE" WRITING CONTEST

Visit Bloomwell529.com/EssayContest for rules and entry guidelines.

2021 WINNERS

"I look forward to joining clubs and activities in which I can socialize with other people. I believe in helping my community and would love to get involved with service clubs which benefit others."

- ISAAC SMITH

"I hope to go to a four-year college and earn my bachelor's degree. With that degree, I would want to become an immigration lawyer. I would meet people from different backgrounds and learn about their cultures."

- JAYDA BACKOUS

"Higher education simply gives one a better chance at getting a good job. A job that will be needed to pay bills, take care of family, and meet all the necessities needed to be an adult."

- OLIVIA SERRANO



Growing a Bloomwell account for your grandchild.

TIPS TO NAVIGATE FINANCIAL PLANNING WITH YOUR ADULT KIDS

Many grandparents are forgoing the hottest fad toy to give the gift of future education. When planning for your grandchild's future college expenses, it's important you talk about your intentions. Here are three tips to success:

①

Let your child know you've opened a Bloomwell account for your grandchild and why it matters.

②

Create a plan as a family to save for your grandchild's education goals.

③

Encourage your child to also open a Bloomwell account where they too can annually contribute.

Cultivate your grandchild's goals by talking with them about their hopes and dreams. When they know how invested you really are, they are more likely to grow with confidence.

An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This and other important information is contained in the fund prospectuses and the Bloomwell 529 Education Savings Plan Program Disclosure Statement (issuer's official statement), which can be obtained at Bloomwell529.com and should be read carefully before investing. You can lose money by investing in an Investment Option. Each of the Investment Options involves investment risks, which are described in the Program Disclosure Statement. An investor should consider, before investing, whether the investor's or beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 plan. Investors should consult their tax advisor, attorney, and/or other advisor regarding their specific legal, investment, or tax situation.

The Bloomwell 529 Education Savings Plan (the "Plan") is sponsored by the State of Nebraska, administered by the Nebraska State Treasurer, and the Nebraska Investment Council provides investment oversight. Union Bank & Trust Company serves as Program Manager for the Plan. The Plan offers a series of Investment Options within the Nebraska Educational Savings Plan Trust (the "Trust"), which offers other Investment Options not affiliated with the Plan. The Plan is intended to operate as a qualified tuition program. Neither the principal contributed to an account, nor earnings thereon, are guaranteed or insured by the State of Nebraska, the Nebraska State Treasurer, the Nebraska Investment Council, the Trust, the Plan, any other state, any agency or instrumentality thereof, Union Bank & Trust Company, the FDIC, or any other entity. Investment returns are not guaranteed. Account owners in the Plan assume all investment risk, including the potential loss of principal.

*Account owners may deduct for Nebraska income tax purposes contributions they make to their own account (and any other accounts they own in the Nebraska Educational Savings Plan Trust) up to an overall maximum of \$10,000 (\$5,000 if married, filing separately). Contributions in excess of \$10,000 cannot be carried over to a future year. For a minor-owned or UGMA/UTMA 529 account, the minor is considered the account owner for Nebraska state income tax deduction purposes. The minor must file a Nebraska tax return for the year their contributions are made to be eligible for a tax deduction for their own contributions. In the case of a UGMA/UTMA 529 account, contributions by the parent/guardian listed as the Custodian on the UGMA/UTMA Plan account are also eligible for a Nebraska state tax deduction.

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PO Box 85529 • Lincoln, NE 68501-5529 • Bloomwell529.com