

Bloomwell 529 Education Savings Plan
Program Disclosure Statement dated July 23, 2021
Supplement Number One dated January 1, 2022

This Supplement amends the Program Disclosure Statement dated July 23, 2021 (the “Program Disclosure Statement”). You should read this Supplement in conjunction with the Program Disclosure Statement and retain it for future reference.

Effective January 1, 2022 - Gift Tax Annual Exclusion Increase

For federal gift tax purposes, contributions to an account are considered a gift from the contributor to the Beneficiary that is eligible for the gift tax annual exclusion. For 2021, the annual exclusion was \$15,000 per donee (\$30,000 for a married couple that elects on a federal gift tax return to “split” gifts). Effective January 1, 2022, the annual exclusion is \$16,000 per donee (\$32,000 for a married couple that elects on a federal gift tax return to “split” gifts).

In addition, you may elect to have the amount you contributed in any calendar year treated as though you made one-fifth of the contribution that year, and one-fifth of the contribution in each of the next four calendar years. (Such an election must be made by filing IRS Form 709). This means that beginning in 2022, you may contribute up to \$80,000 in a single year to an account without the contribution being considered a taxable gift, provided that you make no other gifts to the Beneficiary in the same year or in any of the succeeding four calendar years. Moreover, a married contributor whose spouse elects on a federal gift tax return to have gifts treated as “split” with the contributor may contribute up to \$160,000 in 2022 without the contribution’s being considered a taxable gift, provided that neither spouse makes any other gifts to the Beneficiary in the same year or in any of the succeeding four calendar years.

All references to the gift tax annual exclusion found throughout the Program Disclosure Statement are updated accordingly.

* * *