

PREPAID
TUITION

College Illinois®
529 prepaid tuition program

USING YOUR COLLEGE ILLINOIS!® 529 PREPAID TUITION PROGRAM BENEFITS

Getting Started

Using your College Illinois! prepaid tuition is easy. When your account is available for use, College Illinois! will send you a letter to confirm that we have your correct social security number and current home (permanent) address. Your prepaid tuition account must be paid in full before you can use any benefits. This includes payment of all outstanding fees.

You need to notify your school's billing office that you intend to use prepaid tuition benefits and they will send a tuition bill to College Illinois!. Many schools require you to notify them online or to sign some type of authorization form. Please check with your school's billing office for specific instructions on how to arrange payment from the program. After a bill is received from the school, College Illinois! will then send a payment directly to your school for the amount covered by your prepaid tuition contract.

Notification to College Illinois! works differently for students attending a private or out-of-state college or university than for students attending an Illinois public university or community college. Once you know which type of school you will attend, please be sure to read that section of the booklet and follow the instructions. These instructions will help you start the process to use your prepaid tuition.

If you are not starting college or you do not intend to use your prepaid tuition benefits right away, you do not need to notify the program. Your College Illinois! benefits can stay in place until you are ready to use them.

Learn more in the following sections of this handbook.



Financial Aid

College Illinois! prepaid tuition contracts must be reported on the Free Application for Federal Student Aid (FAFSA) if the contract is owned by your parent(s) whose assets are reported on the FAFSA. The FAFSA requires the “refund value” be used when reporting prepaid tuition plans. This is the amount that the purchaser (account owner) would receive if the account were closed and a refund were issued. Parents should report the refund value of all prepaid tuition plans they own for all dependent children. If someone other than your parent(s), such as a grandparent, aunt or uncle owns the College Illinois! contract, it does not need to be reported on the FAFSA.

The College Illinois! annual statement sent to the account owner each year in January shows the amount that should be reported on the FAFSA. They can also get this information on the “Benefits” page by accessing the account online at www.529prepaidtuition.org.

If you receive partial payment of tuition and mandatory fees from other financial aid, you can use your prepaid tuition benefits to cover the unpaid portion of your tuition and fees. The school can request College Illinois! pay the remaining amount due after the financial aid is applied to your student account. College Illinois! will pay the amount billed by the school and then convert that dollar amount paid to the corresponding number of credit hours for the payment made. Your prepaid tuition account will be depleted for the number of credit hours equal to the amount actually paid out.

Eligible Schools

You can use your College Illinois! prepaid tuition benefits at any Illinois public university, community college or at the following Illinois proprietary schools: The American Academy of Art in Chicago, Argosy University, The Cooking and Hospitality Institute of Chicago, DeVry University, Fox College in Oak Lawn, the Illinois Institute of Art in Chicago, the Illinois Institute of Art in Schaumburg, Midstate College in Peoria, and Northwestern Business College in Chicago. College Illinois! benefits may not be used at proprietary schools outside Illinois.

You can use your benefits at most private colleges in Illinois as long as the school is a “MAP-eligible” institution whose students are eligible to receive need-based student financial assistance through State Monetary Award Program (MAP) grants administered by the Illinois Student Assistance Commission (ISAC). A list of MAP-eligible schools is available online at www.collegezone.com/studentzone/416_13670.htm.

College Illinois! benefits may be used at eligible out-of-state colleges and universities. Most state, public or independent, nonprofit, accredited institutions of higher education are eligible as long as they provide a minimum of an organized two-year program at the postsecondary level. These schools must also be eligible to participate in federal student financial aid programs under Title IV of the Higher Education Act of 1965. Schools that are eligible for these programs will have a “Federal School Code” and be listed on the U.S. Department of Education’s Web site, www.fafsa.ed.gov/FOTWebApp/FSLookupServlet.

College Illinois! benefits do not affect the admissions process of any school. You must meet the normal admission requirements for any school you plan on attending.

Your Account

Your College Illinois! account includes a specific number of tuition credit hours and mandatory fee payments. Each semester of a College Illinois! plan is the equivalent of 15 credit hours and 1 mandatory fee payment. For example, if you have an 8 semester plan, you have 120 tuition credit hours and 8 mandatory fee payments to use towards your college tuition and fees.

Your account is maintained by credit hours so you may enroll for the number of credit hours you choose each semester. The actual number of credit hours for which you enroll is billed to the program and then deducted from your College Illinois! account. If you have an 8 semester prepaid tuition plan (equal to 120 credit hours), and you enroll for 12 credit hours your first semester, 12 credit hours will be depleted from your prepaid tuition account and 108 hours would remain for future use. One mandatory fee payment will be deducted from your account each semester you enroll in college and use your prepaid tuition benefits.

Payment to private and out-of-state colleges or universities is based on the actual number of credit hours you take as explained above, however, the amount paid for each credit hour includes both tuition and mandatory fees.

Attending an Illinois Public University or Community College

If you are going to a public university or community college in Illinois, College Illinois! will pay the undergraduate in-state or in-district tuition and mandatory fees for the number of credit hours covered by your prepaid tuition plan. Mandatory fees are those fees required as a condition of enrollment for all students. College Illinois! will cover your tuition and mandatory fees but you will be required to pay any other charges (room and board, books, course-specific fees, lab fees or other expenses).

You do **not** need to notify College Illinois! or submit an Intent to Enroll form if you are attending an Illinois public university or community college. However, you must notify the school’s billing office to instruct them to request payment from the program. Many schools require you to notify them online or to sign some type of authorization form. College Illinois! provides a list of eligible students to each Illinois public university and community college so the school can verify your eligibility and then bill the program for your tuition and fees. Since each school requests payments differently, please check with your school’s billing office or Web site for specific details on how to arrange payment from the program.

Your school will bill the program for your tuition and mandatory fees after the add/drop date (the last day students are entitled to a full refund). Please verify this date with your school because schools are required to bill College Illinois! for the number of credit hours you are taking as of that date. Payment will be made directly to your school from ISAC, the state agency that administers College Illinois!. Since your school will not bill College Illinois! for tuition and fees until after each semester begins, tuition notices you receive from the school during the semester may not reflect the payment from your prepaid tuition benefits. Please check with your school’s billing office for the most current status of your student account.

Attending a Private or Out-of-State College or University

College Illinois! does not cover the full tuition and fees at private colleges and at schools outside of Illinois. At these schools, the amount paid to the school will be based on the current “mean-weighted average tuition and mandatory fees at Illinois public institutions”. Calculation of this amount is explained in Article II of the program’s Master Agreement and Disclosure Statement. Each year the payout amount (the mean-weighted average) increases to keep pace with the tuition rates at the Illinois public universities and community colleges. The mean-weighted average is calculated each year prior to the start of the school year and is reported on a credit hour basis.

The amount paid on your behalf will depend on the type of prepaid tuition plan (community college, university, etc.) you have. A different mean-weighted average amount is calculated for each plan type offered by the program.

To determine the amount that College Illinois! will pay towards your tuition and fee charges you can multiply the current mean-weighted average amount for your plan type by the number of credit hours you take each term.

If the purchaser would like to make a special request to pay a lesser or greater amount to cover the cost of tuition and mandatory fees, or to pay for a specific number of credit hours as long as it does not exceed the tuition and mandatory fee costs at an out-of-state institution, he or she would need to submit a signed, written request to College Illinois!. This request can be made on a semester by semester basis or for the life of the contract.

When you decide which private or out-of-state college you will attend, you must notify College Illinois! so the program can make sure the school has the information needed to request payment on your behalf. You can notify the program by one of the following methods:

- The purchaser or you, if authorized, can access your account online at www.529prepaidtuition.org by selecting “Access My Account”. You will need your prepaid tuition account number and the purchaser’s PIN, if one has been established. After you log-in, you can enter the name of the private or out-of-state school you will attend in the “Benefits” section.
- Download our Intent To Enroll Form from www.529prepaidtuition.org and mail it to us. Select “Access My Account” from our home page, then “Forms” to print the Intent To Enroll form.
- This form may also be mailed to you by requesting it through a customer service representative at 1.877.877.3724, option 2.

College Illinois! will mail you a confirmation of the school you selected shortly after you notify the program. You only need to notify College Illinois! once if you continue to attend the same school. If you change schools, you will need to notify College Illinois! each time you enroll at a new private or out-of-state college or university.

The payout rates for each academic year are posted on our Web Site, www.529prepaidtuition.org, as soon as they are available in mid-summer, before the fall term begins. These amounts are also provided to the school you indicate with your Intent To Enroll Form.

You will be responsible for any remaining tuition and fee costs that exceed the amount covered by College Illinois!. If you pay the full tuition amount due to the school in advance but would

like to use College Illinois! benefits towards those costs, your school will need to request payment from the program. After the payment from College Illinois! is received, the school will be responsible for refunding any excess amount to you.

Some schools do not participate in 3rd party billing and will not bill College Illinois! directly. If your school will not submit a bill to College Illinois! on your behalf, it is your responsibility to submit a written request for payment along with the school’s billing statement outlining the number of credit hours for which you are enrolled. College Illinois! will send a payment directly to your school for the amount covered by your prepaid tuition contract.

A \$15 processing fee will be deducted from the payment to each private or out-of-state school the first semester you attend. Payment will be made directly to your school from ISAC, the state agency that administers College Illinois!.

Since your school may not bill College Illinois! for tuition and fees until after each term begins, tuition notices you receive from the school may not reflect the payment from your prepaid tuition benefits. Please check with your school’s billing office for the most current status of your student account.

Schools Operating on Quarters or Trimesters

College Illinois! benefits can be converted into quarter hours and trimester hours for those institutions operating on these schedules. The payout rate (the “mean-weighted average”) is calculated and posted on the program’s Web site for both semester credit hours and quarter credit hours. If the school you are attending operates on a quarterly schedule, you should use the “quarter” school payout rate to estimate the amount covered by College Illinois!.

Withdrawing, Adjustments or Transfers

Your school will bill College Illinois! for your tuition and mandatory fees after the financial add/drop date (the last day students are entitled to a full refund). Please contact your school’s billing office for this date. If you drop classes after your school’s financial add/drop date, those credit hours will not be added back to your prepaid tuition account. No adjustments will be made to your College Illinois! account for failed courses or courses dropped after the program has paid for your tuition and fees. If you withdraw from school after registration closes, you must notify the school’s billing office so they don’t bill College Illinois! for your tuition and fees. If you withdraw after a College Illinois! payment has been made, no adjustments will be made to your College Illinois! account but your school may send you a refund depending on the school’s refund policy.

College Illinois! pays benefits for each term or semester you attend so if you transfer to a new school, your unused prepaid tuition benefits should be available for you to use at your new school. You must notify your new school’s billing office to direct them to request payment from College Illinois!. If your new school is a private or out-of-state college or university, you must also then notify College Illinois!. Please see the instructions in the “Attending a Private or Out-of-State College or University” section of this booklet.

Deposits or Orientation Fees

Some schools may require you to pay orientation fees or a deposit when you enroll at that school. College Illinois! does not pay deposits. The school may apply your deposit, or a portion of it, to your tuition and mandatory fees. If they do, when College Illinois! sends the school the payment for your tuition and fees, it may result in a credit to your student account. Please check with your school’s billing office to determine if

these types of deposits or fees are considered to be a mandatory fee and if the school will bill College Illinois! for that amount.

Graduate / Professional School

Your prepaid tuition benefits may be used toward tuition and fee costs if you enroll in graduate or professional courses at any eligible institution. However, College Illinois! only covers undergraduate charges so the graduate/professional school tuition and fees will not be paid in full. The program will only pay the undergraduate base tuition and mandatory fee rate charged for a new student for the current academic year at your school. College Illinois! is not intended to cover the full cost of graduate-level or professional courses. If you enroll in graduate or professional courses at an out-of-state or private school, College Illinois! will pay “the mean weighted average tuition rate” multiplied by the number of hours enrolled, as long as it does not exceed the tuition and mandatory fee costs at that school.

Payments to Schools

Since your school may not bill College Illinois! for tuition and fees until after each term begins, tuition notices you receive from the school may not reflect the payment from your prepaid tuition benefits. Please check with your school’s billing office for the most current status of your student account.

The purchaser or you, if authorized, can also check to see when the payment is made to your school by accessing your College Illinois! account online. Go to www.529prepaidtuition.org and select “Access My Account”. You will need the account number and the purchaser’s PIN, if one has been established.

Usage Statement

Each year after the spring term ends, College Illinois! will mail you a usage statement for your prepaid tuition account. The usage statement will show the number of credit hours and mandatory fees deducted from your account and the remaining balance of your prepaid tuition account. The purchaser or you, if authorized, can also monitor your account usage online at www.529prepaidtuition.org by selecting “Access My Account”. You will need the account number and the purchaser’s PIN, if one has been established. Usage information is outlined in the “Benefits” section of your online account information.

Delaying College/Delaying Use of Benefits

If you are not starting college or you do not intend to use your prepaid tuition benefits right away, you do not need to notify the program. Your College Illinois! benefits can stay in place until you are ready to use them. If you later decide to start using your benefits, you should notify your school’s billing office and follow the instructions outlined in this booklet. You have up to 10 years from your planned date of college enrollment to begin using your prepaid tuition benefits. Any years served as an active-duty member of any branch of the United States Armed Services are added to the 10-year limit. A purchaser may request an extension of the 10-year limit for special circumstances, subject to approval by ISAC. Unused prepaid tuition benefits may be transferred to a member of your family or the account can be cancelled by the purchaser and a refund will be issued.

Using a Combination Plan (Community College and University Benefits)

If your College Illinois! plan is a “Combination Plan” (4 community college semesters and 4 university semesters), your prepaid tuition account actually consists of 60 community

college credit hours and 60 university credit hours. If you attend a community college, your prepaid tuition benefits will cover the in-district tuition and mandatory fees for 60 credit hours. Then when you continue on to a university, your university-level credit hours will be available for your tuition and fees at that school.

If you are enrolled at a community college for more than 60 credit hours the program will then begin applying the university credit hours of your College Illinois! account towards your tuition and fee charges. College Illinois! will pay the total tuition and mandatory fee amount billed and convert the dollar amount paid to the corresponding rate for your university plan. Your prepaid tuition account will be depleted for the number of university credit hours equal to the dollar amount actually paid out. The university credit hours will deplete from your prepaid tuition plan at a slower rate since College Illinois! will only be paying the tuition and mandatory fee charges at the community college level.

You can also use your Combination Plan to pay your tuition and fees if you start college at a university. College Illinois! will use your community college credit hours first. The school will bill College Illinois! for the actual tuition and mandatory fee charges from the university along with the number of credit hours you take for that term. College Illinois! will pay the total tuition and mandatory fee amount billed and convert the dollar amount paid to the corresponding rate for community colleges. Your prepaid tuition account will be depleted for the number of community college credit hours equal to the amount actually paid out. The community college hours will deplete from your prepaid tuition plan at a quicker rate since College Illinois! will be paying the full tuition and mandatory fee charges at the university level. The program will continue paying the tuition and fee bills from the university and then eventually start depleting the university credit hours once the community college credit hours are depleted. As a result, a Combination Plan will be fully depleted before you complete 8 semesters at a university.

You or the purchaser of a Combination Plan can instead instruct the school to bill College Illinois! for only the community college rate to be used towards the total tuition and mandatory fee charges at the university. The program would pay the appropriate community college rate for the actual number of credit hours for which the student is enrolled at the university and deplete those credit hours from the prepaid tuition plan. All remaining prepaid tuition benefits would stay in place for use in a future term. The student’s out-of-pocket costs would likely be increased since the program would not be covering the full tuition and mandatory fees charged by the university.

Using Community College Benefits at a University

If you have a College Illinois! prepaid tuition plan that includes community college benefits, those benefits may be used towards the tuition and fee charges at a university. If you wish to use community college benefits at a university, the school will bill College Illinois! for the actual tuition and mandatory fee charges for the number of credit hours you take that term. College Illinois! will pay the total tuition and mandatory fee amount billed and convert the dollar amount paid to the corresponding rate for community colleges. Your prepaid tuition account will be depleted for the number of community college credit hours equal to the amount actually paid out. The community college hours will deplete from your prepaid tuition plan at a quicker rate since College Illinois! will be paying the tuition and mandatory fee charges at the university level.

You or the purchaser of a College Illinois! account that includes community college semesters can instead instruct the school to bill College Illinois! for only the community college rate to be used towards the total tuition and mandatory fee charges at the university. The program would pay the appropriate community college rate for the actual number of credit hours you are taking at the university and then deplete those credit hours from your prepaid tuition plan. All remaining prepaid tuition benefits would stay in place for use in a future term. Your out-of-pocket costs would likely increase since the program would not be covering the full tuition and mandatory fees charged by the university.

Using University Benefits at a Community College

If you have a College Illinois! prepaid tuition plan that includes university benefits, those benefits may be used towards the tuition and fee charges at a community college. If you wish to use university benefits at a community college, the school will bill College Illinois! for the actual tuition and mandatory fee charges from the community college along with the number of credit hours you take for that term. College Illinois! will pay the total tuition and mandatory fee amount billed and convert the dollar amount paid to the corresponding rate for your university plan. Your prepaid tuition account will be depleted for the number of university credit hours equal to the amount actually paid out. The university credit hours will deplete from your prepaid tuition plan at a slower rate since College Illinois! will only be paying the full tuition and mandatory fee charges at the community college level. Since one mandatory fee term is deducted from your College Illinois! account each time you enroll and use your benefits, you may want to pay the mandatory fees from your own funds while you are attending a community college to reserve your mandatory fee coverage from College Illinois! for a regular term or semester at a university.

Block / Range Tuition Charges

A purchaser of a College Illinois! contract purchases college tuition on a per credit hour basis and mandatory fees on a per semester basis. Each College Illinois! semester is equivalent to 15 credit hours. For example, if a purchaser buys 1 university semester in the program, the price of that contract is based upon the average of the cost of 15 credit hours and 1 semester of mandatory fees at Illinois public institutions covered by your plan. When the beneficiary attends an Illinois public institution, the College Illinois! program pays prepaid tuition benefits based on the number of credit hours the student is actually taking each term and the actual cost of all mandatory fees for that semester. If a student in the above example who has a 1 semester contract takes 12 credit hours in a semester, the program will deduct 12 credit hours from their 15 credit hour purchase and will pay 1 semester of mandatory fees. There will be 3 credit hours available for that student to use in a subsequent semester, however, 1 mandatory fee unit will be deducted for that semester and the student will not be entitled to use that mandatory fee unit for a subsequent semester.

This is also the practice for payment to any Illinois public institution that may assess tuition and fees based on a range or category instead of the specific number of credit hours ("block pricing"). In a block pricing school, the same tuition can be charged for a range of credit hours (such as 12 through 18). The treatment is the same for the block pricing school student in that, if the student (he or she) takes 12 credit hours, College Illinois! will deduct 12 hours from their prepaid tuition benefits and the student will have 3 credit hours available for a subsequent semester. As above, mandatory fees will be paid for only 1 semester. If however, the student in the block pricing school takes 18 credit hours in the first semester instead of 12,

the program will pay the actual tuition and mandatory fee charges and will deduct 18 credit hours from the College Illinois! contract.

There can be instances when a contract is purchased and the student takes more than a normal course load (15 credit hours per semester) when utilizing prepaid tuition benefits. In these instances the credit hours purchased may be depleted in fewer semesters than listed in the contract resulting in payment of fewer total semesters for which mandatory fees were purchased. In this situation the contract purchaser will be entitled to a refund of the mandatory fees for the unused semester. If a student is in this situation and does not have enough College Illinois! benefits to satisfy the number of semesters purchased by the contract because they are attending a block pricing school, he or she can have the purchaser write to College Illinois! and request that the last semester tuition be paid. While the program generally is obligated only to pay benefits for the total credit hours provided by the contract, depending upon the student's unique circumstances College Illinois! may also pay tuition for that final semester.

Scholarships / Tuition Waivers

If you receive a **full scholarship** which covers your tuition and mandatory fees, your College Illinois! account can be held for future use. Or, if you will not need any of your prepaid tuition benefits, your account can be transferred to another member of your family by having the purchaser designate a new beneficiary. The purchaser must request this change by downloading the "Change of Beneficiary Form" from www.529prepaidtuition.org and sending it to the program.

If you receive a **partial scholarship** for tuition and fees, your College Illinois! benefits can be used to cover the tuition and fees not paid by the scholarship. Your school can submit a bill to College Illinois! for the reduced amount of tuition and fees not covered by the scholarship, and the purchaser can request a scholarship refund for the difference between the amount paid by the program and the amount available under the contract for that semester.

College Illinois! can issue a refund for each term you receive a scholarship that covers your tuition and mandatory fees. The purchaser must request this refund by downloading the "Scholarship Refund Form" from www.529prepaidtuition.org and submitting it to the program. Documentation of the scholarship and confirmation of your enrollment for that term must also be sent with the Scholarship Refund Form to College Illinois!. The amount of the refund depends on the type of school you are attending. If you are enrolled at an Illinois public institution, the refund is based on the current costs of in-state or in-district tuition and fees at that school so the program will refund the amount that would have been paid to the school for your tuition and fees. If you are attending a private or out-of-state institution, the refund is based on mean-weighted average tuition and fees at Illinois public institutions or the amount the program would have paid to the school for your tuition and fees. Refunds are always issued to the purchaser. A scholarship refund request and proof of scholarship must be submitted each term in which the scholarship is awarded for any refund to be paid. Scholarship refunds will be processed after the 100% add/drop date for Illinois public institutions. The purchaser should submit the scholarship refund request after this date.

Tuition waivers and Illinois Monetary Award Program (MAP) grants administered by ISAC work similar to scholarships. College Illinois! benefits can be used to cover any tuition and

fees not paid by the waiver or grant and the remaining prepaid tuition benefits can then be used in future semesters. Or, the purchaser can submit a signed, written request to College Illinois! for a refund of the balance of tuition and fees for the current semester. Proof of the tuition waiver or grant must be provided to College Illinois! on a semester-by-semester basis for any refund to be paid.

Summer School

You can use your prepaid tuition benefits for summer school or special sessions. If you are attending an Illinois public university or community college, College Illinois! will pay the tuition and mandatory fees for the summer/special session and deduct the number of credit hours you take from your prepaid tuition account. Since 1 mandatory fee term is deducted from your College Illinois! account each time you enroll and use your benefits, you may want to pay the mandatory fees for the summer/special session from your own funds to reserve your mandatory fee term coverage from College Illinois! for a regular term or semester. Payment for summer school or special sessions at private or out-of-state schools is based on the credit hour payout rate for the preceding school year (the current mean-weighted average tuition and mandatory fees for your plan type).

Study Abroad / Foreign Institutions

If you intend to study abroad you can use your prepaid tuition benefits. College Illinois! will pay the amount equal to the undergraduate tuition and mandatory fees charged to a student attending courses on campus. You can apply the amount paid by College Illinois! to cover your costs for that semester, as needed. In these situations where the actual number of credit hours earned may not be determined until after the semester ends, or the credit earned for your study abroad courses may vary from your school's normal course credits, College Illinois! will deduct 15 credit hours from your prepaid tuition account, equivalent to a normal course load.

College Illinois! prepaid tuition benefits can be used if you are attending an eligible school located outside of the United States. Please see the section of this booklet that explains "Eligible Schools". If you are attending an eligible foreign institution, you should notify the program through our Intent to Enroll process and you should also notify your school's billing office. College Illinois! benefits will be paid directly to the purchaser instead of being issued to the foreign institution. The purchaser is then responsible for sending those funds to your school.

Distance Learning or Internet-Based Courses

You can use your prepaid tuition benefits for internet or distance learning courses. The payment from College Illinois! will be limited to the amount that would be paid if you were taking courses on campus. The program will not pay for any premium charged by the school above the on-campus rate.

Living or Moving Outside Illinois

If you now live outside Illinois, or you will be moving outside Illinois while you are attending college, you can continue to use your College Illinois! prepaid tuition benefits. If you are attending an Illinois public university, but are not considered an

official resident of the state, the program will pay the **in-state or in-district** (in the case of community colleges) tuition and fees for your plan type on your behalf. The program will not cover any additional amounts that you are charged for being an out-of-state or out-of-district resident. Each school has their own tuition and fee policy for students who are out-of-state or out-of-district students. College Illinois! does not have any impact on the tuition policy of any school.

Remaining or Unused Benefits

If you finish school and have remaining prepaid tuition benefits, those benefits may be transferred to a member of your family. The purchaser must request a change of beneficiary for the account by downloading the "Change of Beneficiary Form" from www.529prepaidtuition.org and sending it to College Illinois!.

The College Illinois! account can also be cancelled and a refund for any remaining benefits will be issued to the purchaser. To cancel the prepaid tuition account, the purchaser can download the "Cancellation Form" from www.529prepaidtuition.org to send to the program. Cancellation fees will apply and be deducted from the refund. Refund amounts depend on the amount of remaining contract benefits.

Tax Information

Each year there is a distribution from your prepaid tuition account, an IRS Form 1099-Q will be issued. Current federal tax law allows all prepaid tuition benefits paid directly to public or private institutions nationwide to be exempt from federal income tax. If a payment was made directly to your school, the 1099-Q will be sent to you, the student. Since the tuition payment was made directly to a school on your behalf, assuming no other withdrawals occurred, you do not need to report this information on your tax return. If a refund from the prepaid tuition account was issued, the 1099-Q will be sent to the purchaser (account owner). The refund may or may not be considered state and federal taxable income, depending if the refund was used for qualified education expenses.

If you are a resident of Illinois, all College Illinois! benefits are also exempt from Illinois income tax.

College Illinois! cannot provide legal or tax advice. Please see IRS Publication 970 "Tax Benefits for Education" for specific information. You can download this Publication from www.irs.gov or call the IRS toll-free at 1.800.829.3676.

Questions about Benefit Usage

The College Illinois! 529 Prepaid Tuition Program is administered by the Illinois Student Assistance Commission (ISAC), not the educational institution you attend. Therefore, questions, comments or concerns regarding the payment of contract benefits must be directed to the College Illinois! staff at the following address: College Illinois!, ISAC, 500 West Monroe, 3rd Floor, Springfield IL 62704.

Online Account Access

You can use our 24-hour, online account access to update account information or to check the status of your account. Select the "Access My Account" button from www.529prepaidtuition.org. You will need the account number and the purchaser's PIN, if one has been established.

If you have questions about your plan,
please contact us.

TOLL-FREE: 1-877-877-3724,option 2

FAX: 217-785-6242

E-MAIL: 529help@isac.org

WEB: www.529prepaidtuition.org

WRITE:

College Illinois!

P.O. BOX 19291

SPRINGFIELD, IL 62794-9291

