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-- NC 529 Plan urges sending in year-end contributions early for processing in 2009 tax year --

-- NC 529 Plan Funds Top \$500M for First Time --

RALEIGH, N.C. – Parents, grandparents and others thinking about making contributions to a NC 529 college savings plan are encouraged to beat the rush if interested in a 2009 state tax deduction. Not just account owners are eligible to contribute. Any North Carolina taxpayer who wants to help someone with college savings -- and also possibly qualify for a tax deduction -- can contribute to an account in the NC 529 plan.

Due to the heavy volume of 529 contributions normally received at the end of the calendar year, combined with the increase in holiday mail, early contributions are encouraged. Contributions must be received and processed by December 31, not just postmarked by that date. Waiting until the last minute may cause a problem if there are questions concerning your contribution or enrollment form or mail delays.

You can set up a new NC 529 account or give a gift to an existing account to benefit that special someone this holiday season. Online enrollment and gift forms are available. Go to CFNC.org/NC529 to learn more about the reasonable expenses, state tax deduction, tax-free earnings and more good reasons to contribute to North Carolina's 529 college savings plan.

Check the year-end dates at CFNC.org/NC529 to make sure you meet the deadline with whatever contribution method you choose. For tax year 2009, N.C. taxpayers may deduct contributions to the NC 529 program of up to \$2,500 for an individual and \$5,000 for a married couple filing jointly. There is no income restriction related to the deduction and it is not limited to parents or account owners.

This month, the NC 529 program reached a milestone, with the fund value topping \$500M for the first time.

If you have any questions, call toll-free 1-800-600-3453.

About CFNC

College Foundation of North Carolina (CFNC) is a free service of the State of North Carolina that helps students plan, apply, and pay for college. CFNC is a partnership of Pathways, the N.C. State Education Assistance Authority, and College Foundation, Inc.

- Pathways, created by the N.C. General Assembly in 1999, is a state-wide initiative to increase the college-going rate of North Carolinians by providing: comprehensive college and career planning resources; electronic applications and transcripts accepted by all 110 North Carolina colleges and universities; and, information on student financial aid and college affordability. Pathways is administered by The University of North Carolina General Administration in collaboration with the N.C. Department of Public Instruction, the N.C. Community College System, and the N.C. Independent Colleges and Universities.
- The North Carolina State Education Assistance Authority (NCSEAA), established in 1965, is the State agency that promotes access to higher education by administering financial aid and savings programs, informing students and families about paying for college, teaching educators about financial aid administration, and advocating for resources to support students.
- College Foundation, Inc. (CFI), a nonprofit corporation serving North Carolina students and families since 1955, administers a portfolio of more than \$4 billion, including low-interest federal education loans, the State's college grant programs, and the tax-free "529" college savings program on behalf of the N.C. State Education Assistance Authority. CFI also delivers information to North Carolina students and families about paying for college and provides technology services for CFNC.org.

CFNC offers resources toll-free at 1-866-866-CFNC and at CFNC.org.

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