



# 5 Flexible Aspects of 529 Plans

Sure to Help Families as Educational Options are Considered

*There's certainly no one path to a fulfilling future. Families who have 529 college savings accounts can be comforted in knowing just how much flexibility is built into their design. 529 college savings plans are flexible with respect to:*

## 1. Type of Institution

Whether considering a community college, a trade or vocational school, a 4-year institution or some other form of higher education, account owners can count on their 529 plan to cover the cost of tuition and other required expenses at any eligible post-secondary educational institution. These include most accredited public, nonprofit and privately-owned-for-profit postsecondary institutions that are eligible to participate in a student aid program run by the U.S. Department of Education. To see which U.S. and international schools have Federal School Codes—an identification number used with federal financial aid program-eligible schools—check the U.S. Department of Education's website or contact a particular school directly to determine if it qualifies as an eligible educational institution.

## 2. Location of Institution

Whether deciding to remain in-state or to study out of state, to travel across the country or across the world in pursuit of a degree, account owners can count on their 529 college savings plan to cover expenses required for attendance at eligible institutions regardless of location.

## 3. Living Arrangements

Whether planning to live and dine on campus or off campus, 529 plans can be used to cover room and board expenses when attending an eligible school at least half time. In addition to the cost of living on campus and utilizing campus food services, costs associated with living off campus and at home are covered expenses as well, up to the lesser of their actual cost or the school's published cost of attendance allowance for room and board.

#### **4. Other Costs**

Whether planning to rent or buy new or used books, equipment, tools, or other supplies required for a particular course of study, 529 plans are there to help. Beyond this, 529 plans can even be used to cover the cost of a computer or peripheral equipment along with computer software or internet access, if used primarily by the account beneficiary while enrolled at an eligible institution. Lastly, 529 plans can be used to cover expenses required for participating in certain registered apprenticeship programs.

#### **5. Timeframe for Use of Funds**

Whether planning to hit the pause button and defer admissions to pursue a gap year experience, to work to save up some additional funds, or for some other reason, account owners can count on their 529 college savings plans to be there for use when the time is right. There are generally no time limits on how long funds can remain invested in a 529 college savings account and should the original beneficiary not use the funds, the account owner can change the beneficiary to a member of the family of the original beneficiary.

*For more information on the flexibility of 529 plans and other features and benefits, see [Route 529: A Parent's Guide to Saving for College and Career Training with 529 Plans](#).*