

EDUCATIONAL ACCOUNT COMPARISON

	529 Plan	Coverdell Educational Savings	UTMA/UGMA
Ownership/Control	Contributor	Contributor	Custodian until child reaches age of majority
Contribution Limits	\$15,000 annually	\$2,000 annually per child. Contributions are phased out if your Adjusted Gross Income is \$95,000-\$110,000 for single filer; and \$190,000-\$220,000 for joint filers	None
Age Limits	None	No Contribution can be made after age 18 and withdrawals must be made by age 30.	Age of Majority varies per state- commonly age 18 but legend can be added extend to age 21
Investment Choices	Plan selected menu of mutual funds	Stocks, Mutual Funds, ETF, Bonds	Stocks, Mutual Funds, ETF, Bonds
Federal Tax Advantage	Earnings grow tax-deferred and are tax-free if used for qualified education expense	Earnings grow tax-deferred and are tax-free if used for qualified education expense	\$1,050 in earnings are tax free. Additional earnings are taxed at minor's tax rate.
State Tax Advantage	None	None	None
Expenses Covered in addition to Tuition and Fees	Qualified education expenses for post-secondary education	Qualified elementary and secondary education expenses or qualified higher education expenses.	No restrictions on any type of expenses.
Penalties for Non-Qualified Withdrawals	Earnings are taxed as ordinary income and may be subject to 10% penalty	Withdrawals that exceed the beneficiary's education expenses for the year may be taxable.	None
Beneficiary Change Allowed	Yes	Yes	No

CAPITAL



GROUP

Capital CS Group, An SEC Registered Investment Advisory Firm.

This commentary is for informational purposes only and should not be considered investment advice or a recommendation to buy or sell any securities. Capital CS Group has obtained certain information from third party sources believed to be reliable but does not warrant or guarantee the accuracy or completeness of the information herein. All investments in securities are subject to risk, including loss of principal.

Form ADV contains important information and may be viewed at: adviserinfo.sec.gov

Capital CS Group

15375 Barranca Pkwy, Ste G-110 Irvine, CA 92618

844-390-2797

info@capitalcsgroup.com

capitalcsgroup.com