

# 529 funds can now be used for K-12 Tuition!

**Please consult your tax advisor for more information.**

On December 22, 2017, a wide-ranging tax reform bill (H.R. 1) was signed into law, bringing new flexibility and utility to 529 accounts.

Your 529 plan can now be used to fund tuition costs for private and religious K-12 education, up to \$10,000 per child per year.

Because K-12 tuition is now a qualified higher education expense, some states may offer a deduction from individual state income taxes (Virginia, for example, offers up to a \$4,000 deduction). This benefit alone gives some Virginia 529 account holders a new way to save money for both current and future academic expenses.

Tuition costs must originate on or after January 1, 2018, to be eligible under this new law. The costs of textbooks, room and board, supplies and other expenses for K-12 education are not covered under this new rule. Homeschooling expenses are currently not considered