

December 2022

*“Education is the Passport to the future, for tomorrow belongs to those who prepare for it today.”
– Malcolm X*

CollegelInvest, the Colorado 529 Plan provider, has implemented a matching gift arrangement called the First Step program to encourage an early start to saving for college. The First Step program is open to all children born or adopted in Colorado since January 1, 2020; there is no income limit and no requirement that the child/parents continue to live in Colorado. Once you are enrolled in the program, you will continue to receive the benefit which becomes active at the time of your enrollment. Although the program is currently anticipated to continue; the benefit can change at any time. Please reach out if you have any questions.

Who Qualifies?

Any child born or adopted in Colorado on or after January 1, 2020.

What is the benefit?

\$100 gift contribution to your child’s 529 plan when you enroll.

\$1,000 matching contribution each year for 5 years when a contribution of at least \$1,000 to the 529 plan is made during the year.

What information do I need?

1. The state file number located on the child’s birth certificate.
2. Your CollegelInvest account number (if already open).
 - a. The parents must be the owner, with the child listed as the beneficiary.
 - b. If you don’t have an account, you can open one online or with your advisor.

How do I proceed?

1. Open a 529 account through CollegelInvest, <https://www.collegeinvest.org/529-savings-plans/direct-portfolio> (or your advisor). The parents must be the owner and the child listed as the beneficiary.
2. Apply for the First Step Program here: <https://firststep.collegeinvest.org/>
3. Make a \$1,000 (Colorado tax deductible) contribution to the account by the end of the year you first apply, and plan to make \$1,000 contributions for 5 years total.
 - a. The match is dollar-for-dollar up to \$1,000 per year. For example, if you contribute \$500 in 2022, you will receive a \$500 match. If you contribute \$5,000 in 2022, you will receive a \$1,000 match.
 - b. If your enrollment is 2022 and you make at least \$1,000 in contributions from 2022 – 2026, you will receive \$5,000 in matching funds.
 - c. A future year enrollment will work in the same way unless the program is modified
4. CollegelInvest will match your contribution and you will be automatically eligible to receive future matches based on the program in place when you enroll.

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Investment products recommended by PCM

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