



**TURN A DREAM
INTO A DEGREE®**



X@NJBEST529

f @NJBEST529CollegeSavings

As college costs increase, it may seem like paying for your child's higher education could be out of reach. NJBEST 529 College Savings Plan offers a flexible, convenient and trusted way to invest for your child's future education.



529 basics

- **Double tax-free investing:**

Investments grow federal and New Jersey state income tax free, and withdrawals for qualified expenses are not subject to federal or New Jersey state income tax.¹

These 529 tax advantages can potentially allow for faster growth compared to ordinary taxable investments.

- **Qualified higher education expenses include:**

- Tuition and fees
- Room and board
- Books and supplies
- Computers and related equipment

- **Can be used for a wide range of education paths anywhere in the United States, not just NJ, and at select foreign institutions:**

- Accredited two- and four-year colleges and universities
- Vocational schools
- Graduate schools
- Certified apprenticeships
- K-12 tuition, up to \$10,000 per year per beneficiary²

What makes NJBEST special for NJ families

- **Tax-free scholarship of up to \$6,000**

Students attending New Jersey colleges and universities can receive a tax-free scholarship. The longer you contribute, the greater the college scholarship amount.³

Contributions	Full Years Account Open	Scholarship Amount
\$1,200	4	\$2,000
\$1,800	6	\$3,000
\$2,400	8	\$4,000
\$3,000	10	\$5,000
\$3,600	12	\$6,000

- **New Jersey state tax deduction**

For families with a gross income of \$200,000 or less, NJBEST offers a state income tax deduction on contributions up to **\$10,000** per year.⁴

- **Matching grant program**

Boost your savings with one-time grant of up to **\$750**, matching your first contribution dollar for dollar. Designed to help lower income NJ families save for higher education, and maximize their initial investment.⁵

- **Won't interfere with New Jersey financial aid**

The first \$25,000 in savings will be excluded from the criteria used to determine eligibility for financial aid awarded by the state of New Jersey.¹

Flexibility and options

- **Multiple investment options**

NJBEST offers a wide range of investment choices allowing you to invest your assets in the portfolio(s) that best suit your education savings goals.⁶

- **Low contribution requirement**

You can open an NJBEST plan with as little as \$25, making it easy to get started.¹

- **Control over plan assets**

The account owner—not the beneficiary—maintains control of the assets, including how and when they will be used.

- **Change beneficiaries**

The beneficiary can be changed to a member of the immediate or extended family at any time.

- **Use for loans**

Up to \$10,000 may be paid toward principal or interest of a student loan for the beneficiary or a sibling.

- **Transfer to Roth IRA**

Savers can transfer unused 529 funds into a Roth IRA for the beneficiary (lifetime limit of \$35,000 per beneficiary).⁷

- **No mandatory withdrawals at any age.**

Tax benefits are conditioned on meeting certain requirements. Federal income tax, a 10% federal tax penalty, and state income tax and penalties may apply to nonqualified withdrawals of earnings. Generation-skipping tax may apply to substantial transfers to a beneficiary at least two generations below the contributor. See the Program Description for more complete information.

Investors should carefully consider plan investment goals, risks, charges and expenses before investing. To obtain the Program Description, which contains this and other information, call Franklin Distributors, LLC, the manager and underwriter for the plan, at (877) 4NJ-BEST. You should read the Program Description carefully before investing and consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds and protection from creditors that are only available for investments in its qualified tuition program.

The Program and its associated persons make no representations regarding the suitability of the Program's investment portfolios for any particular investor. This material is intended to be of general interest only and should not be construed as individual investment advice or a recommendation by Franklin Distributors, LLC. Other types of investments and other types of education savings vehicles may be more appropriate depending on your personal circumstances.

TURN A DREAM INTO A DEGREE®

Investing for college
can be as easy as 1-2-3.

1

EDUCATE YOURSELF

Visit NJBEST.com or call (877) 4NJ-BEST/465-2378. Our dedicated service representatives are available to answer any questions you may have about the plan.

NJBEST is offered solely through its *Program Description*, which contains more complete information on fees, expenses and risks. Please obtain a copy and read it carefully prior to investing.

2

SELECT AN INVESTMENT PORTFOLIO

Select the investment strategy that best suits your college savings needs.

3

OPEN AN NJBEST PLAN

Enroll online at NJBEST.com today!



NOT FDIC INSURED

NO BANK GUARANTEE

MAY LOSE VALUE

All investments involve risk including possible loss of principal. Diversification does not guarantee a profit or protect against a loss.

1. Please read the *Program Description* for more information.

2. The Federal Tax Cuts and Jobs Act (TCJA), which was signed into law in December 2017 and became effective January 1, 2018, expanded the definition of a qualified higher education expense to include up to \$10,000 (federal tax-free withdrawals) per year in tuition expenses at private, public and religious elementary and secondary schools (K-12). The state tax consequences of using 529 plans for elementary or secondary education tuition expenses will vary depending on state law and may include recapture of tax deductions received from the original state and may also include taxes and penalties. Some states do not offer state tax deductions or tax credits for K-12 tuition, and other restrictions may apply.

3. Investing in Franklin Templeton 529 does not guarantee admission to any particular elementary or secondary school or to college, or sufficient funds for elementary or secondary school or for college. The scholarship is only available for college and is awarded any fall or spring semester of college. The scholarship may be awarded only once to an eligible beneficiary. The NJBEST scholarship is provided by the New Jersey Higher Education Student Assistance Authority.

4. The New Jersey College Affordability Act allows for a state tax deduction for contributions into a Franklin Templeton 529 College Savings Plan of up to \$10,000 per year, for those with gross income of \$200,000 or less. The maximum deduction is \$10,000. Because each investor's circumstances are different, please consult your tax professional for more information about considerations that may be relevant to your particular situation.

5. The New Jersey College Affordability Act allows that taxpayers with household adjusted gross income between \$0 and \$75,000 may be eligible for a one-time grant of up to \$750 matched dollar-for-dollar of the initial deposit into an NJBEST account for accounts open on or after June 29, 2021. Visit HESAA's site for terms and conditions and how to apply. This program is subject to available funding.

6. The plan is managed by Franklin Mutual Advisers, LLC, an affiliate of Franklin Distributors, LLC. Plan portfolios predominately invest in mutual funds managed by affiliates of Franklin Mutual Advisers, LLC. An investment in NJBEST 529 College Savings Plan is an investment in a municipal security that may invest in one or more underlying mutual funds. It is not an investment in shares of the underlying mutual fund(s), which could include Brandywine Global Investment Management, LLC, ClearBridge Investments, LLC, Martin Currie Inc., Putnam Investments, Clarion Partners, K2 Advisors, Royce Investment Partners, Templeton and (outside) non-affiliated investment managers.

7. SECURE Act 2.0. Transfers are subject to Roth IRA contribution limits, and the account must have been open for more than 15 years. This provision is effective for distributions after December 31, 2023. Other conditions apply. For more information please visit: www.finance.senate.gov.



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Diversification does not guarantee a profit or protect against a loss.*

NJBEST New Jersey's 529 College Savings Plan is offered and administered by the New Jersey Higher Education Student Assistance Authority (HESAA); managed and distributed by Franklin Distributors, LLC, an affiliate of Franklin Resources, Inc., which operates as Franklin Templeton.

Investments in NJBEST are not insured by the FDIC or any other government agency and are not deposits or other obligations of any depository institution. Investments are not guaranteed by the State of New Jersey, Franklin Templeton or its affiliates and are subject to risks, including loss of principal amount invested. Investing in the plan does not guarantee admission to any particular primary, secondary school or college, or sufficient funds for primary, secondary school or college.

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529NJ-BMINI-1124