

Bright Start Planner

Fourth Quarter 2019



Save Smarter: Reevaluate Your Saving Strategy

The new year is a great time to take a look back in order to plan for what's ahead. As 2020 begins, ask yourself the following:

- Can you increase your current savings level? If you can afford it, now is a good time to increase.
- Do you contribute monthly? If not, it's something to consider.
- Have you reviewed your investment portfolio? The markets have been performing well over the last decade.
- Are you in a place that you should change your investing strategy? Make sure your approach lines up with your risk comfort level.

If you need help in deciding what type of investor you are, take the "Risk Tolerance Questionnaire" on BrightStart.com. It can help you determine if you're a conservative, middle of the road, or aggressive investor.

2020 Tax Day Reminders

Here are a few reminders to help you make the most of available tax savings:



Deducting Contributions

To deduct 2019 contributions from your Illinois taxable income, review the 2019 Schedule M (IL-1040) for filing and reporting instructions. To see all the contributions you made this year, log in to your account at BrightStart.com.



Reporting Withdrawals for Qualified College Expenses

For qualified withdrawals, whomever the check was payable to — whether it's the account owner or the beneficiary — will receive IRS Form 1099-Q in the mail (mailed by January 31). The beneficiary will also receive the form for any checks written to the college. Review the proper tax reporting with your tax professional.

15,000+

Large Contribution Reporting

If you made gifts of \$15,000 or more to a beneficiary, you'll want to discuss any IRS Form 709 filing requirements with your tax professional.

► Visit BrightStart.com/Tax-Center for more information.



"Saving money isn't always the difficulty; it's doing it wiser. It's how you save it, where you save it, and how you use it later."

– Sheryl Engerski | Dennison, IL

Read how the Engerskis are putting their two girls through college with their Bright Start savings at BrightStart.com/CustomerStories



2017 | 2018 | 2019*

Your 529 is Gold. Again.

For the third straight year, Bright Start received Morningstar's elite Gold rating for low costs, strong stewardship, and excellent investment options. The cost of college is rising, but you're preparing for it with one of the most distinguished plans in the nation.



▶ Webinars Are in Session

Keep an eye out for free upcoming webinars on how to make withdrawals from your 529, as well as how to save for the rising costs of college. Head to BrightStart.com/Webinars to view the schedule and sign up.

The Bright Start Direct-Sold College Savings Program is part of the Illinois College Savings Pool and is designed to qualify as a qualified tuition program under the provisions of Section 529 of the Internal Revenue Code. The Bright Start Direct-Sold College Savings Program is sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank & Trust Company serves as Program Manager. Investments in the Bright Start Direct-Sold College Savings Program are not guaranteed or insured by the State of Illinois, the Illinois State Treasurer, the Program Manager, the Federal Deposit Insurance Corporation, or any other entity.

An investor should consider the investment objectives, risks, and charges and expenses before investing. This and other important information is contained in the Bright Start Direct-Sold College Savings Program Disclosure Statement, which can be obtained at BrightStart.com and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement.

Before you invest, consider whether your or the beneficiary's home state offers any state tax or other benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's 529 plan.

*The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's manager research group, which consists of various Morningstar, Inc. subsidiaries ("Manager Research Group"). In the United States, that subsidiary is Morningstar Research Services LLC, which is registered with and governed by the U.S. Securities and Exchange Commission. The Manager Research Group evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The Manager Research Group uses this five pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark, or in the case of exchange-traded funds and index mutual funds, a relevant peer group, over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors in their research, and the weight of each pillar may vary. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, and Negative. A Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's conviction in a fund's prospects for outperformance. Analyst Ratings ultimately reflect the Manager Research Group's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at least every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to global.morningstar.com/managerdisclosures/. **The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause Analyst expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund.** © 2019 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.