



**SCOTT MEACHAM  
OKLAHOMA STATE TREASURER**

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**Big Change in Oklahoma College Savings Plan  
Tax Deduction Signed into Law**

**OKLAHOMA CITY** – State Treasurer Scott Meacham and Chancellor for Higher Education Paul Risser today announced a dramatic change in the state tax deduction for contributions to the Oklahoma College Savings Plan (OCSP). State taxpayers can now deduct up to \$10,000 per year from their Oklahoma income for contributions to Oklahoma’s 529 Plan. Couples filing jointly can deduct up to \$20,000 per year. The previous annual limit was \$2,500 per contributor per account.

Earlier this week, Governor Brad Henry signed into law Senate Bill 448 that was approved in the final days of the legislative session. In addition to expanding the tax deduction, the measure creates a five-year carry forward provision. Contributions not deducted in the year they were made can be carried forward as a deduction any time over the succeeding five years.

“This is a big win for all Oklahoma families saving for college,” Governor Henry said. “These changes should encourage more Oklahomans to establish accounts for their children or increase the contributions they have been making to existing accounts. With rising college expenses, parents need to start saving early, and this program helps them do that.”

Governor Henry endorsed passage of the expanded tax break at the start of the legislative session. While serving as a state senator, Henry authored the original legislation that created the Oklahoma College Savings Plan.

“This expanded tax deduction makes the Oklahoma College Savings Plan the absolute best way to save for a child or grandchild’s college education,” said Treasurer Meacham. “Not only can Oklahomans claim a tax deduction for their contributions, but all of the future growth in the account is free of state or federal tax. I would encourage every Oklahoma family to take advantage of this tax benefit and open an account today. For current account owners, this is a great time to increase your contributions to get full benefit of the tax break.”

Chancellor Risser said, “It is never too early or too late to begin saving for college. For some families, college may be several years down the road, but for others, college may be right around the corner. Oklahoma’s plan simplifies the process of preparing for the cost of college and provides another method of managing the cost while a student is pursuing a degree.”

**(more)**

Treasurer Meacham serves as chair of the college savings plan's board of directors. Risser is vice-chair.

Currently the Oklahoma College Savings Plan has more than \$130 million in total assets, an increase of 13 percent since the end of last year. The current number of accounts has grown to 26,187, representing a seven percent increase from year-end. An overwhelming 92 percent of account owners live in Oklahoma. The average account balance now exceeds \$5,000.

Information about the Oklahoma College Savings Plan is available at [www.ok4saving.org](http://www.ok4saving.org) or by calling 1-877-654-6284. Features like payroll deduction, automatic contribution via a personal checking or savings account, online enrollment, and online account access are available.

Key advantages of an Oklahoma college savings account include:

**State Income Tax Deduction** - The OCSP is the only 529 Plan where contributions may be deducted from Oklahoma state taxable income. Contributions of up to \$10,000 per taxpayer or \$20,000 for couples filing jointly can be deducted from income for calculating Oklahoma income tax.

**Tax-Free Growth and Withdrawals** - Contributions to an OCSP account grow free from federal and Oklahoma income taxes. Withdrawals used for qualified expenses, including tuition, room and board, are free of both federal and Oklahoma income taxes.

**Low Expenses** - The annual rate of the asset-based management fees currently range from 0.75 percent to 0.77 percent of average daily net assets, depending on the investment option.

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