

## Service and Support

Using your CollegeAmerica® account



**CAPITAL  
GROUP®**

**AMERICAN  
FUNDS®**

# How to withdraw money from your 529



## What can I pay for with my 529 savings plan?

One of the best things about your 529 savings plan is that you can use it to cover a variety of education expenses. In addition to tuition, mandatory fees and room and board, the following expenses are generally considered qualified if used while the beneficiary is enrolled at an **eligible educational institution**:

- Required books, supplies and equipment
- Computers and peripheral equipment (such as printers)
- Computer software, internet access and related services

- Be sure to save your receipts and documentation for tax time.
- **This list of expenses is not all-inclusive.** The CollegeAmerica account owner or beneficiary is responsible for confirming an expense is qualified. Consult a tax advisor with any questions.

## How to avoid tax penalties

Avoid tax penalties by only using the money for qualified expenses. Money used for anything else will be subject to a 10% federal tax penalty on the earnings and in addition, federal and, if applicable, state income tax. Also make sure your withdrawal matches the payment year of the qualified education expense. Discuss any potential exclusions with a tax advisor.

Be aware that states take different approaches to the income tax treatment of withdrawals. For example, withdrawals for K-12 expenses may not be exempt from state tax in certain states.

For more information, go to [capitalgroup.com/529withdrawals](https://capitalgroup.com/529withdrawals), or scan the code with your phone's camera.



CollegeAmerica is a nationwide plan sponsored by  
**Virginia529™**

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

## How can I withdraw funds from my 529 account?

Contact your financial professional or [log in](#) to your account to send the money directly to:

- College or university by check
- Bank account on file
- Yourself by check
- Beneficiary (student)

If you need to link a new bank account, there is a 10-day wait before you can send money to the new bank.

To prevent processing delays, verify the:

- School's billing address and student ID number
- Bank account has been on file for at least 10 days
- Requirements to transfer funds if the money is needed for another student's expenses

## What to expect at tax time?

Tax reporting depends on who receives the money from the 529 withdrawal. If the money is sent to:

- You (the account owner), then the tax reporting will be under your Social Security number.
- The beneficiary (student) or directly to a school, then the tax reporting will be under the beneficiary's Social Security number.

Form 1099-Q will be issued in January of the year following the withdrawal. Any earnings on withdrawals are exempt from federal taxes as long as you use the money for qualified education expenses.

- Consult a tax advisor to determine who should be the recipient of the money – you, the beneficiary or the school.
- Access your tax forms online. Sign up for paperless delivery at [capitalgroup.com/529paperless](https://capitalgroup.com/529paperless), and we'll email you as soon as they're available.

Review the [CollegeAmerica Program Description](#) for a complete guide to your 529 savings plan or consult your financial professional or tax advisor with any questions.

## Ready to take a withdrawal?

Contact your financial professional or log in to your account and click **Sell**. Go to [capitalgroup.com/529login](https://capitalgroup.com/529login).

If you haven't registered online yet, you'll just need your account number from your quarterly statement to get started.



Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses, summary prospectuses and CollegeAmerica Program Description, which can be obtained from a financial professional and should be read carefully before investing. CollegeAmerica is distributed by American Funds Distributors, Inc. and sold through unaffiliated intermediaries.

Depending on your state of residence, there may be an in-state plan that provides state tax and other state benefits, such as financial aid, scholarship funds and protection from creditors, not available through CollegeAmerica. Before investing in any state's 529 plan, investors should consult a tax advisor.

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