

In September we celebrated **National College Savings Month** by highlighting ways Nebraska families can plan for the costs of higher education. The NEST 529 Education Savings Plan can make saving for college simple and affordable.

## **Meet NEST 529**

NEST 529 is Nebraska's state-managed education savings plan. It's a flexible, tax-advantaged way for families to save for future education expenses.

- NEST offers a simple, yet robust, mix of investments that appeal to different types of savers. No matter the account owner's comfort level and experience with investing, NEST 529 offers professionally managed options to fit everyone's savings profile.
- Nebraska taxpayers can earn tax benefits for saving, including a potential Nebraska State Income Tax Deduction each year on contributions by the account owner of up to \$10,000<sup>1</sup>.
- Funds can be used for tuition, books, school equipment, and more<sup>2</sup>.
- Savings apply to a wide range of paths: four-year universities, community colleges, trade schools, and apprenticeships.
- Family and friends can contribute to a student's NEST 529 account for birthdays, holidays or any special occasion with the NEST 529 GiftED program.

Families can maximize their 2025 tax savings by opening and contributing to a NEST 529 account by December 31.

## **The Meadowlark Program**

If a child was born in Nebraska on or after January 1, 2020, they're automatically enrolled in the [Meadowlark Program](#) and have received a one-time \$50 seed contribution to a state-managed NEST 529 account. The Meadowlark Savings Pledge is a great way to start thinking about how to plan for the future — but it's just the start. Encourage families to take the next step by [opening a NEST 529 account](#) so they can continue saving for higher education.

## **Meet the NEST 529 Team**

Stop by our booth at these upcoming events:

**State Education Conference | Nov. 19-21**

**2025 School Counselors Academy | Nov. 20-21**

By educating families about NEST 529, you can help them understand how even small, regular contributions can grow into meaningful support for their child's education. For more information, visit [NEST529.com](https://www.nest529.com).



Dr. Brian L. Maher, Commissioner  
Nebraska Department of Education  
Trust



Tom Briese, Nebraska State Treasurer  
Trustee, Nebraska Educational Savings Plan

**An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This and other important information is contained in the fund prospectuses and the NEST Direct College Savings Plan Program Disclosure Statement (issuer's official statement), which should be read carefully before investing. You can lose money by investing in an Investment Option. Each of the Investment Options involves investment risks, which are described in the Program Disclosure Statement.**

**An investor should consider, before investing, whether the investor's or 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 such state's 529 plan. Investors should consult their tax advisor, attorney, and/or other advisor regarding their specific legal, investment, or tax situation.**

The NEST Direct College Savings Plan (the "Plan") is sponsored by the State of Nebraska, administered by the Nebraska State Treasurer, and the Nebraska Investment Council provides investment oversight. Union Bank and Trust serves as Program Manager for the Plan. Union Bank and Trust Company is registered as a municipal advisor with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB). The Plan offers a series of Investment Options within the Nebraska Educational Savings Plan Trust (the "Trust"), which offers other Investment Options not affiliated with the Plan. The Plan is intended to operate as a qualified tuition program.

Except for any investments made by a Plan participant in the Bank Savings Underlying Investment up to the limit provided by Federal Deposit Insurance Corporation (“FDIC”) insurance, neither the principal contributed to an account, nor earnings thereon, are guaranteed or insured by the State of Nebraska, the Nebraska State Treasurer, the Nebraska Investment Council, the Trust, the Plan, any other state, any agency or instrumentality thereof, Union Bank and Trust Company, the FDIC, or any other entity. Investment returns are not guaranteed. Account owners assume all investment risk, including the potential loss of principal.

<sup>1</sup> Account owners may deduct for Nebraska income tax purposes contributions they make to their own account (and any other accounts they own in the Nebraska Educational Savings Plan Trust) up to an overall maximum of \$10,000 (\$5,000 if married, filing separately). Contributions in excess of \$10,000 cannot be carried over to a future year. For a minor-owned or UGMA/UTMA 529 account, the minor is considered the account owner for Nebraska state income tax deduction purposes. The minor must file a Nebraska tax return for the year their contributions are made to be eligible for a tax deduction for their own contributions. In the case of a UGMA/UTMA 529 account, contributions by the parent/ guardian listed as the Custodian on the UGMA/UTMA Plan account are also eligible for a Nebraska state tax deduction.

<sup>2</sup> Withdrawals used to pay for qualified higher education expenses are free from federal and Nebraska state income tax. Qualified higher education expenses include tuition, fees, books, supplies, and equipment required for enrollment or attendance; certain room and board expenses incurred by students who are enrolled at least half-time; the purchase of computer or peripheral equipment, computer software, or Internet access and related services, if used primarily by the beneficiary during any of the years the beneficiary is enrolled at an eligible educational institution; certain expenses for special needs services needed by a special needs beneficiary; apprenticeship program expenses; and payment of principal or interest on any qualified education loan of the Beneficiary or a sibling of the Beneficiary (up to an aggregate lifetime limit of \$10,000 per individual). However, earnings on all other types of withdrawals are generally subject to federal and Nebraska state income taxes, and an additional 10% federal tax.

Nebraska law does not treat the following Federal Qualified Higher Education Expenses as Nebraska Qualified Expenses: K-12 Expenses and Qualified Postsecondary Credentialing Expenses. If a withdrawal is made for such purposes, although it is a Federal Qualified Withdrawal, it will be treated as a Nebraska Non-Qualified Withdrawal and may result in the recapture of a previously claimed Nebraska state income tax deduction, and the earnings portion will be subject to Nebraska state income tax. Please consult your tax professional about your particular situation.

**NOT FDIC INSURED\* | NO BANK GUARANTEE | MAY LOSE VALUE**

(\*Except the Bank Savings Underlying Investment)