

Questions about Getting to College:

What are the benefits of saving for college?

- A child with a savings account in his or her name is seven times more likely to attend college than a child without an account.
- Saving for college now will decrease student loans later and increase chances of completing college.
- Saving for college in a 529 plan—because of their unmatched tax advantages— is the preferred method for most middle- and upper-class families saving for college.

What other resources are available in helping pay for college?

- Prospective college students must complete the Free Application for Federal Student Aid (FAFSA) to be considered for federal financial aid programs, including the Pell grant for students with financial need, college work-study programs, and low-interest, federally subsidized and unsubsidized loans.
- Public and private colleges and universities also use the FAFSA to determine eligibility for state and institutional need- and merit-based grants, scholarships, work-study programs, and state loans.
- Tax credits and deductions are available to help students recoup a portion of their college costs. Programs include the Hope Scholarship Tax Credit, the Lifetime Learning Tax Credit, the Student Loan Interest Deduction, Employer Tuition Assistance, and the Tuition and Fees Deduction.