



# TEXAS 529 UPDATE

BROUGHT TO YOU BY THE TEXAS TUITION PROMISE FUND®, THE STATE'S 529 PREPAID COLLEGE TUITION PLAN JANUARY 2025



## IN THIS ISSUE

GOALS FOR THE NEW YEAR



GENERAL ENROLLMENT DEADLINE: FEB. 28



NAVIGATING THE PLAN



FREE INFORMATIONAL WEBINARS

## Goals for the New Year

As we welcome the new year, it's the perfect time to set goals — especially when it comes to saving for your family's future educational expenses. The Texas Tuition Promise Fund® (TTPF) offers a unique way to prepay tomorrow's college tuition at today's rates, helping to minimize the impact of rising tuition costs and potentially reduce the need for student loans.

With flexible payment options and various tuition unit types, the TTPF can fit into almost any budget.

Visit our [website](#) today to learn more and take steps toward your loved one's future education!

## GENERAL ENROLLMENT FOR TEXAS TUITION PROMISE FUND ENDS FEB. 28

Lock in today's rates for undergraduate resident tuition and schoolwide required fees at Texas public colleges and universities (excluding medical and dental schools) with the Texas Tuition Promise Fund. The deadline for general enrollment this year is fast approaching — Feb. 28. Newborn enrollment for children younger than 1 year of age on the date of enrollment extends through July 31. Don't miss this chance to give your child, grandchild or other loved one a head start on future education expenses.

### KEY DATES:

- General Enrollment Deadline: Feb. 28
- Newborn Enrollment Deadline: Extends through July 31

*Learn more at [TuitionPromise.org](http://TuitionPromise.org).*

**EMPLOYERS:** Contact our [outreach team](#) to schedule a free presentation to help your staff learn more about saving for educational expenses with the Texas 529 plans.



# Navigating the Plan

When it comes to starting or managing your Texas Tuition Promise Fund (TTPF) contract, understanding the finer details can make all the difference. This section addresses common “how-to” questions about:

- enrollment;
- adding tuition units to an existing contract;
- changing beneficiaries; and
- insights to help you confidently navigate your educational savings objective.

## How Can I Enroll in the TTPF?

Enrolling in the TTPF is easy. You can [enroll](#) online at TuitionPromise.org or visit the website to download or order an enrollment kit.

To get started, you’ll need the following information:

- Social Security number or Taxpayer ID, mailing address and phone number for the purchaser and beneficiary;
- date of birth for the beneficiary; and
- routing and account numbers for the purchaser’s checking or savings account to pay the \$25 application fee and also if you want to establish recurring ACH contributions for your contract.

You’ll also want to determine the following:

1. The tuition unit type and number of units you want to purchase to open a contract. Our online [Tuition Planning Calculator](#) is a great tool to help you make this decision. Tuition units represent a fixed amount of undergraduate resident tuition and schoolwide required fees at Texas public colleges and universities (excluding medical and dental schools).
2. A payment option that fits your budget.

Once you have this information, follow the easy enrollment steps.

Contact customer service at 800-445-4723, option 5, for more information.

## How Can I Open a TTPF Contract for a Beneficiary Who Isn’t My Child?

Opening a TTPF contract for a loved one who isn’t your child is simple! You can open a contract for a relative, family friend or someone else you know if you meet these requirements:

- Any U.S. citizen or legal resident older than 18 years of age can purchase a contract if the beneficiary is a Texas resident.
- If the beneficiary isn’t a Texas resident, a parent must be the purchaser and a resident of Texas.
- 501(c)(3) organizations can open a contract without naming a beneficiary until making a scholarship award.

## How Can I Add Tuition Units to an Existing Contract?

You can add more tuition units to an existing pay-as-you-go contract at any time. If you have a lump sum contract, you’ll need to open a new contract during a general enrollment period to purchase additional units. Additional units will be priced at the then-current sales price.

You can add more tuition units to an existing installment contract during the same enrollment period the contract was established at the same sales price. Adding units during a later enrollment period can be done by establishing a new contract at the then-current sales price and interest rate.

Good news – you won’t need to pay an extra application fee when opening a new contract for the same beneficiary!



All contracts for the same beneficiary will be linked by their Social Security number. Keep in mind there's a maximum contribution limit of \$500,000 for all Texas 529 college savings and prepaid tuition plans combined for the same beneficiary.

## Can a TTPF Contract Only Be Used at a Texas Public College or University?

You can use the Transfer Value of your tuition units at medical and dental schools, private and out-of-state colleges and universities, career schools and registered apprenticeship programs. Transfer Value is the lesser of the following two amounts: what the tuition unit would cover at a Texas public college or university, or the original purchase price of the tuition unit plus or minus the Plan's net investment earnings or losses on that amount. The "Transfer Value Payment Authorization Form" can be found on the [Documents](#) page of our website.

To determine the Transfer Value of your tuition units, log in to your account and navigate to Benefits, then FAFSA,



and finally view the current estimated Refund Value of your tuition units, which would be the Transfer Value. Or you can request the current estimated Transfer Value of your tuition units by contacting customer service at 800-445-4723, option 5.

## How Can I Change the Beneficiary of My Contract?

You may change the beneficiary of a contract to a qualifying family member, such as a sibling, without incurring any federal tax penalties. This change is subject to the requirements outlined in the TTPF [Plan Description and Master Agreement](#). This document and the necessary "Change of Beneficiary Form" can be found on the [Documents](#) page of our website.

## How Can I Request Partial Refund of My Tuition Units?

You may request a partial refund for either a specific number of units or the dollar amount that you want refunded by filling out the "Refund Request Form" located on the [Documents](#) page of our website.

Note that installment contracts are eligible for partial refund only if the contract is paid in full. If you request an amount that would cause the contract balance to fall below one tuition unit, your request will be treated as a request to close and refund the entire contract.

In many cases, you will need to attach documentation to support your request for it to be processed. Get more details on all refund options in the TTPF [Plan Description and Master Agreement](#).

## Is There an Advantage to Starting to Save Early?

To minimize the impact of any future tuition increases, consider purchasing tuition units when your child is younger to lock in tuition rates as early as possible. Combining a TTPF contract with other 529 savings plans like the Texas College Savings Plan® or LoneStar 529 Plan® can also help you cover a broader range of qualified educational expenses.

If you have additional questions, review the [FAQ](#) section of our website or attend one of our monthly webinars. Keep reading for more details on our webinars.

If you're working with a financial advisor, ask them about the LoneStar 529 Plan.





# FREE Informational Webinars!

Our **FREE** monthly webinars, hosted by the Texas Tuition Promise Fund outreach team, cover important information about the plan. We'll explain the different tuition unit types, review our flexible payment options and discuss what you can do if your beneficiary doesn't use the contract. We'll also demonstrate the plan's online Tuition Planning Calculator that can assist you in determining the type and number of units to purchase.

Register at [TuitionPromise.org/Events](https://TuitionPromise.org/Events).

The Texas Tuition Promise Fund® ("Plan") is administered by the [Texas Prepaid Higher Education Tuition Board](#) ("Board"). Orion Advisor Solutions, Inc. is the manager of the Plan, which is maintained by Catalis Regulatory and Compliance, LLC, who is not affiliated with Orion. The Plan and the Board do not provide legal, financial, or tax advice and you should consult a legal, financial, or tax advisor before participating.

Non-residents of Texas should consider whether their home state, or the beneficiary's home state, offers its residents any tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for participants in that state's plan.

Participation in the Plan does not guarantee admission to or graduation from any college or university. Only the purchaser may direct redemptions, withdrawals, changes in beneficiary, or other contract changes.

You may lose money by participating in the Plan. No part of a contract is a deposit or obligation of, or is guaranteed or insured by, the Board, the state of Texas, or any agency or agent thereof. The contracts have not been registered with or approved by the SEC or any state. Purchasers should carefully consider the risks, fees, charges, and expenses associated with contracts, including Plan termination and reduced Transfer or Refund Value. Transfer Value applies to redemptions at Texas private colleges and universities, out-of-state colleges and universities, medical and dental schools, career schools, and registered apprenticeship programs and is the lesser of: (1) the costs the units would cover at a Texas public college or university; or (2) the original purchase price of the units plus or minus the Plan's net investment earnings or losses on that amount. [Texas Match the Promise Foundation](#)<sup>SM</sup> scholarships can only be used at Texas public colleges and universities, and any Transfer Value of a Match the Promise Foundation scholarship account cannot be utilized. The [Plan Description and Master Agreement](#) contain this and other information about the Plan and may be obtained by visiting [TuitionPromise.org](https://TuitionPromise.org) or calling 800-445-GRAD (4723), option 5. Purchasers should read the Plan Description and Master Agreement, and all other Plan documents carefully before purchasing a contract.

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## MATCHING SCHOLARSHIPS AVAILABLE TO PLAN ENROLLEES

The Texas Match the Promise Foundation<sup>SM</sup> awards matching scholarships and tuition unit grants to eligible third through ninth graders who are enrolled in the Texas Tuition Promise Fund. The foundation encourages families to save for college by supplementing their contributions to the plan. Eligible students can apply between Sept. 1 and Dec. 31 each year. More details can be found at [MatchThePromise.org](https://MatchThePromise.org).\*

*\*Residency restrictions, eligibility criteria, household income restrictions and contribution requirements apply.*

### CONTACT US

[TuitionPromise.org](https://TuitionPromise.org)

[Email Us](#)

800-445-GRAD (4723),  
option 5

### IMPORTANT LINKS

[Webinar Calendar](#)

[Texas Tuition Promise Fund](#)

[Texas Match the Promise  
Foundation](#)

[Texas 529 Update Archives](#)

