



# Special benefits

## Exclusively for New Jersey families

### Top 5 reasons to invest for education with Franklin Templeton

If you're a New Jersey taxpayer or the student in your life is a New Jersey resident, you can take advantage of these features to help you save money when investing for education with the Franklin Templeton 529 College Savings Plan, offered nationwide by the New Jersey Higher Education Student Assistance Authority.

#### 1 | State tax deduction

The New Jersey College Affordability Act allows for a New Jersey state income tax deduction for contributions into a Franklin Templeton 529 College Savings Plan of up to \$10,000 per taxpayer, per year, with gross income of \$200,000 or less, beginning with contributions made in tax year 2022.<sup>1</sup>

#### 2 | Matching grant program

The New Jersey College Affordability Act allows taxpayers with household adjusted gross income between \$0 and \$75,000 to be eligible for a one-time grant of up to \$750 matched dollar-for-dollar of the initial deposit into a Franklin Templeton 529 College Savings Plan account for accounts open on or after June 29, 2021.<sup>2</sup>

#### 3 | Scholarship opportunity

The NJBEST Scholarship provides a tax-free scholarship worth up to \$6,000 to beneficiaries of a Franklin Templeton 529 College Savings Plan.<sup>3</sup> Either the student or the contributor must be a New Jersey resident at the time of college attendance, and the student must be enrolled at least half-time in an eligible New Jersey higher education institution. The account owner must make a withdrawal for qualified educational expenses from the NJBEST account for which the student is beneficiary. The amount depends on how much has been contributed to the plan and how long the plan has been open. See chart below:

Contributions	Full Years Account Open	Scholarship Amount
\$1,200	4	\$2,000
\$1,800	6	\$3,000
\$2,400	8	\$4,000
\$3,000	10	\$5,000
\$3,600	12	\$6,000

#### 4 | Won't interfere with New Jersey financial aid

Plan assets of up to \$25,000 won't be included in determining a beneficiary's eligibility to receive financial aid awarded by the state of New Jersey.<sup>4</sup>

#### 5 | Creditor protection

Under New Jersey law, plan assets are generally exempt from claims of creditors and excluded from an estate in bankruptcy. Please see footnoted exceptions.<sup>5</sup>

**LEARN MORE.** Talk to your financial professional about the additional benefits available to New Jersey families or call (800) DIAL BEN/342-5236 to speak with a Franklin Templeton representative. You can also visit us online at [franklintempleton.com](https://franklintempleton.com).

***Investors should carefully consider the 529 plan's investment goals, risks, charges and expenses before investing. To obtain the Program Description, which contains this and other information, talk to your financial professional or call Franklin Distributors, LLC, the manager and underwriter for the 529 plan at (800) DIAL BEN/342-5236 or visit [franklintempleton.com](https://franklintempleton.com). You should read the Program Description carefully before investing and consider whether your, or the 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 its qualified tuition program.***

*Franklin Templeton's 529 College Savings Plan is offered and administered by the New Jersey Higher Education Student Assistance Authority (HESAA); managed and distributed by Franklin Distributors, LLC, an affiliate of Franklin Resources, Inc., which operates as Franklin Templeton.*

*Investments in Franklin Templeton's 529 College Savings Plan are not insured by the FDIC or any other government agency and are not deposits or other obligations of any depository institution. Investments are not guaranteed by the State of New Jersey, Franklin Templeton, or its affiliates and are subject to risks, including loss of principal amount invested. Investing in the plan does not guarantee admission to any particular primary, secondary school or college, or sufficient funds for primary, secondary school or college.*

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1. The New Jersey College Affordability Act allows for a state tax deduction for contributions into a Franklin Templeton 529 College Savings Plan of up to \$10,000 per year, for those with gross income of \$200,000 or less, beginning with contributions made in tax year 2022. The maximum deduction is \$10,000. Because each investor's circumstances are different, please consult your tax professional for more information about considerations that may be relevant to your particular situation.
2. Taxpayers with household adjusted gross income between \$0 and \$75,000 to be eligible for a one-time grant of up to \$750 matched dollar-for-dollar of the initial deposit into a Franklin Templeton 529 College Savings Plan account for accounts open on or after June 29, 2021. Visit [www.hesaa.org](https://www.hesaa.org) for terms and conditions and how to apply. This program is subject to available funding.
3. Investing in a Franklin Templeton 529 College Savings Plan does not guarantee admission to any particular elementary or secondary school or to college, or sufficient funds for elementary or secondary school or for college. The scholarship is only available for college and is awarded any fall or spring semester of college. The NJBEST Scholarship is provided by the New Jersey Higher Education Student Assistance Authority.
4. Please see the *Program Description* for information.
5. Exceptions include: cases of fraudulent conveyance, claims under an order for child or spousal support or of an alternate payee under a qualified domestic relations order, or punitive damages awarded in a civil action arising from manslaughter or murder. Please note that, depending on the circumstances, the laws of states other than New Jersey may determine the rights of creditors in a claim or bankruptcy involving a Program Account.



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