



# Putnam 529 for America<sup>SM</sup>



Not FDIC insured | May lose value | No bank guarantee

They are the faces of the future.

They will invent things we can't even envision.

Discover cures with global reach. Tackle challenges far greater than ours.

We can't imagine all they will accomplish. But we can get them off to a strong start.

A good education will pay a lifetime of benefits, but the challenge of saving for education savings has never been greater. As costs continue to rise, college savings is one of the biggest financial demands most families will face.

Since offering one of the first advisor-sold 529 savings plans in the country over two decades ago, Putnam Investments has been helping families across America build their futures. Putnam's expertise in 529 plan administration is combined with our industry-recognized customer service and over 80 years of investing experience.





**Set your sights on any school in the country.**

Proceeds from a Putnam 529 for America account can be used at any eligible college or certified apprenticeship program to pay for tuition, fees, room and board, books, and other qualified expenses. In addition, up to \$10,000 per student per year may also be used to pay tuition at any public, private, or religious elementary or secondary school, and a lifetime amount of \$10,000 can be used to pay back student loans.

## Anyone can invest on behalf of your child.

Parents, grandparents, aunts, uncles, and friends can all contribute to the account. Contributions can be as low or as high as you like until the account value reaches \$500,000.

**Change in plans?** If your child decides not to attend college, you can switch the account to another family member. You may change the beneficiary as many times as you like to another member of your family, as defined by the IRS.

## Three options if your child decides not to attend college:

- Leave the assets invested in the plan for later use
- Change the beneficiary to another family member
- Withdraw the assets and pay a 10% additional tax<sup>\*</sup>

Contributions are generally treated as gifts to the beneficiary for federal gift tax purposes and are subject to the annual federal gift-tax exclusion amount (\$16,000 for 2022). Contributor may elect to treat contributions in excess of that amount (up to \$80,000 for 2022) as prorated over 5 years. Election is made by filing a federal gift tax return. While the value of the account is generally excludable from contributor's gross estate, if electing contributor dies during the 5-year period, amounts allocable to years after death are includable in contributor's gross estate. Consult your tax advisor.

<sup>\*</sup> The earnings portion of any withdrawal not used for qualified higher education expenses is taxed at the recipient's tax rate and is subject to a 10% additional tax.

<sup>†</sup> U.S. Bureau of Labor Statistics, 2021. Most recent data available.



**In 2021, median earnings of full-time workers with associate and bachelor's degrees were 19% and 65% higher (respectively) than the earnings of high school graduates.<sup>†</sup>**

**You control the account, even when the child reaches legal age.** As account owner, you retain control over withdrawals for the life of the account. This benefit is not offered by non-529 education savings accounts such as UGMAs and UTMA's, which transfer assets when the child reaches legal age.



**Because the earnings in your 529 account are not taxed, your savings accumulate faster than in a taxable account.**



This example assumes contributions of \$500 per month, a hypothetical 6% nominal rate of return compounded monthly with an effective return of 6%, and a 32% tax bracket for the taxable account. The returns shown are for illustrative purposes only. They are not representative of any particular investment and are not intended to predict the return of any investment, which will fluctuate. Regular investing does not ensure a profit or protect against loss in a declining market. Capital gains, exemptions, deductions, and local taxes are not reflected. Certain returns in a taxable account are subject to capital gains tax, which is generally a lower rate than ordinary income tax rate and would make the investment return for the taxable investment more favorable than reflected on the chart. Investors should consider their personal investment horizon and income tax brackets, both current and anticipated, when making an investment decision. These may further impact the results of the comparison.

**You pay no federal income taxes on account earnings while the account is invested.**

And you will pay no federal income taxes when the money is withdrawn to pay for qualified higher education expenses.

**Decrease your taxable estate while paying for college expenses.**

In certain cases, contributions to the account can be removed from your estate for tax purposes, yet you retain control over the assets. This benefit is unique to 529 plans.

**A gift contribution can bring added tax benefits.**

A special gift-tax exclusion enables you to make five years' worth of gifts to a single beneficiary in a single year without triggering the federal gift tax.

- Maximum for individuals is \$85,000 for 2023
- Maximum for married couples is \$170,000 for 2023

Withdrawals for qualified higher education expenses subject to tax if American Opportunity Credit or Lifetime Learning Credit claimed for same expenses.

If withdrawing funds for qualified higher education expenses from both a 529 account and a Coverdell Education Savings Account, a portion of the earnings distribution may be subject to a tax penalty on amounts that exceed qualified higher education expenses. Withdrawals of earnings not used to pay for qualified higher education expenses are subject to taxes and penalty. You may wish to consult your tax advisor or financial advisor to ensure that you obtain the tax consequences you desire. See the Offering Statement for details.

**In one year, these grandparents removed \$850,000 from their estate, helped five grandchildren, and retained control over the assets for the life of the accounts.**



Assumes grandparents removed \$850,000 in assets and contributed in equal increments of \$170,000. This is the maximum single-year beneficiary amount allowed for married couples electing split gifts and choosing to prorate the gift over 5 years without exceeding the annual federal gift-tax exclusion applicable to 529 account contributions. Contributions to a 529 account that are allocated for federal gift tax purposes to years after the donors' death may be included in their estate.

## A broad range of investment choices

- **Age-based portfolios:** Actively managed and adjust over time, becoming more conservative as your child approaches college age.

As the child gets older, the mix of investments shifts from one composed primarily of stock funds, which offer the greatest growth potential over time but also carry the greatest near-term risk, to one with more fixed income funds and money market funds, which offer lower potential returns in exchange for reduced risk.

**Each portfolio is based on the year the child was born. The portfolio is reallocated quarterly, and the investments become more conservative over time.**



Newborn

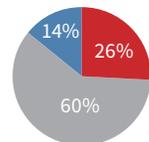
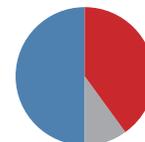
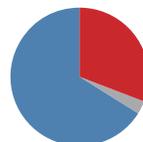
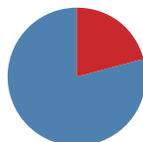
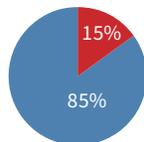
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- Stocks
- Bonds
- Cash



Asset allocations shown are target allocations. Actual allocations may vary.

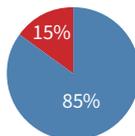
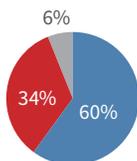
The age-based and goal-based options invest across four broad asset categories: short-term investments, fixed income investments, U.S. equity investments, and non-U.S. equity investments. Within these categories, investments are spread over a range of asset allocation portfolios that concentrate on different asset classes or reflect different styles.

Each age-based portfolio has a different target date, which is based on the year in which the beneficiary of an account was born. The principal value of the funds is not guaranteed at any time, including age-based portfolios closest to the college age.



**Choose from a range of age-based, goal-based, and individual fund options from Putnam and other fund families.**

**Goal-based portfolios:** Actively managed and keep the same allocation mix, regardless of the child’s age.



	Balanced Option	Growth Option	Aggressive Growth Option
• Stocks	Invests in the Putnam 529	Invests in the Putnam 529	Invests in the Putnam 529
• Bonds	GAA Growth Portfolio,	GAA Growth Portfolio and	GAA All Equity Portfolio
• Cash	Putnam 529 Balanced	Putnam 529 All Equity	
	Portfolio, and Putnam 529	Portfolio	
	Money Market Portfolio		

**Individual investment options:** Build your own portfolio

- Federated Hermes Short-Intermediate Government Option
- MFS International Equity Fund Investment Option
- Principal MidCap Fund Investment Option
- Putnam Core Bond Fund Investment Option
- Putnam Government Money Market Fund Investment Option\*
- Putnam High Yield Investment Option

- Putnam Income Fund Investment Option
- Putnam Large Cap Growth Fund Investment Option
- Putnam Large Cap Value Fund Investment Option
- Putnam Multi-Asset Income Fund Investment Option
- Putnam Small Cap Value Fund Investment Option
- State Street S&P 500® Index Fund Investment Option

Effective March 31, 2023, Putnam Growth Opportunities Fund’s name changed to Putnam Large Cap Growth Fund.

\* You can lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund’s sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time. The values of money market investments usually rise and fall in response to changes in interest rates. Certain securities in which the fund may invest, including securities issued by certain U.S. government agencies and U.S. government-sponsored enterprises, are not guaranteed by the U.S. government or supported by the full faith and credit of the United States.

**The plan involves investment risk, including the loss of principal.**

## Saving for college: Compare the alternatives

	<b>Putnam 529 for America</b>	<b>UGMA/UTMA</b>	<b>Coverdell</b>	<b>Roth IRA</b>
No limitations on income	✓	✓		
You can change the beneficiary	✓		✓	✓
Control of withdrawals will not shift to child	✓			✓
Can be used for any eligible institution of higher education	✓	✓	✓	✓
You can decrease your taxable estate and retain control over the assets	✓			

## Other features at a glance

	<b>Putnam 529 for America</b>	<b>UGMA/UTMA</b>	<b>Coverdell</b>	<b>Roth IRA</b>
<b>Annual contribution limits</b>	Limited only when account exceeds \$500,000	None	\$2,000, including contributions from others	\$6,500 per account owner (\$7,500 for an account owner age 50 and above)
<b>Federal gift tax annual exclusion</b>	On amounts up to \$17,000	On amounts up to \$17,000		
<b>Special gift tax benefit</b>	Can make 5 years' worth of gifts in a single year without triggering gift tax			
<b>Who controls withdrawals?</b>	Account owner	Transfers to child when child reaches legal age	Account owner	Account owner
<b>Investment options</b>	1 age-based option 3 goal-based options Individual options from Putnam and other firms	A range of securities	A range of securities	A range of securities

**Make the right choice. Ask your financial advisor for more information about Putnam 529 for America or call 1-877-PUTNAM529.**



*Putnam 529 for America is sponsored by the State of Nevada, acting through the Board of Trustees of the College Savings Plans of Nevada, and administered by the State Treasurer's Office. Anyone may invest in the plan and use the proceeds to attend school in any state. **Before investing, consider whether your state's plan or that of your beneficiary offers state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that may not be available through Putnam 529 for America.** If you withdraw money for something other than qualified higher education expenses, you will owe federal income tax and may face a 10% federal tax penalty on earnings. Consult a tax advisor.*

*You should carefully consider the investment objectives, risks, charges, and expenses of the plan before investing. For an offering statement containing this and other information about Putnam 529 for America, call Putnam's dedicated 529 hotline at 1-877-788-6265. You should read the offering statement carefully before investing. Putnam Retail Management, principal underwriter and distributor. Putnam Investment Management, investment manager.*

## **A BALANCED APPROACH**

Since 1937, when George Putnam created a diverse mix of stocks and bonds in a single, professionally managed portfolio, Putnam has championed the balanced approach.

## **A WORLD OF INVESTING**

Today, we offer investors a world of equity, fixed income, and multi-asset portfolios to suit a range of financial goals.

## **A COMMITMENT TO EXCELLENCE**

Our portfolio managers seek superior results over time, backed by original, fundamental research on a global scale. We believe in the value of experienced financial advice, in providing exemplary service, and in putting clients first in all we do.



A world of investing.®

