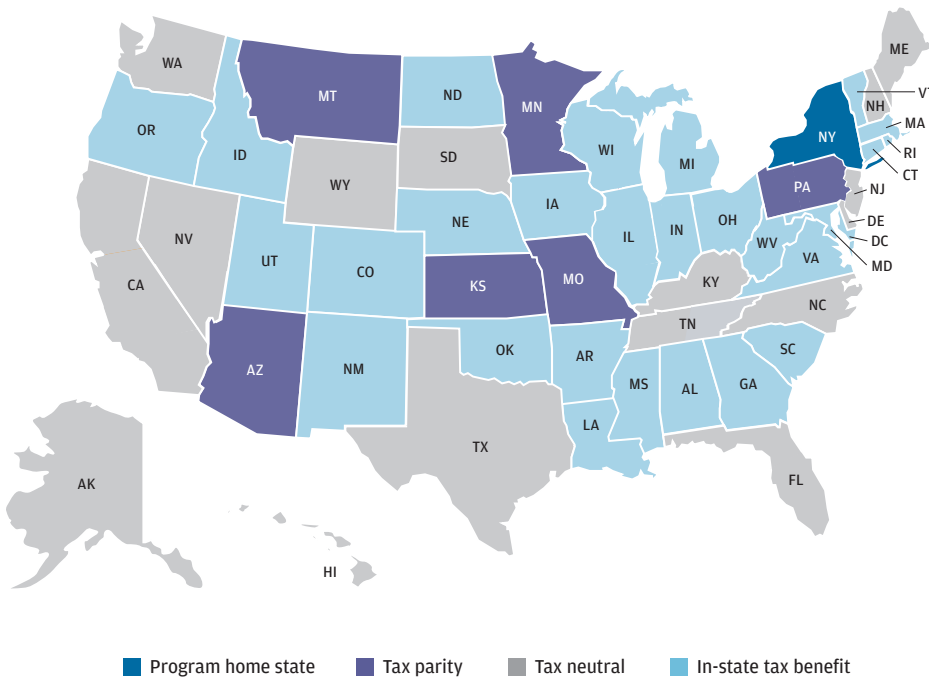


529 plans and state tax benefits

In addition to federal tax-deferred growth potential and tax-free qualified withdrawals, many 529 college savings plans offer investors state tax benefits.¹



NEW YORK'S ADVISOR-GUIDED PLAN OFFERS STATE TAX BENEFITS TO ACCOUNT OWNERS WHO ARE NEW YORK TAXPAYERS.



Tax benefits by state

■ NEW YORK

With New York's 529 Advisor-Guided College Savings Program®, New York taxpayers can deduct up to \$5,000 in contributions from their state income taxes each year (\$10,000 if married filing jointly).²

■ TAX PARITY STATES

These states offer a tax deduction for contributing to *any* 529 plan, including out-of-state plans that may be more attractive than the in-state option:

- Arizona
- Kansas
- Minnesota
- Missouri
- Montana
- Pennsylvania

■ TAX NEUTRAL STATES

These states offer no state tax deduction for 529 plan contributions:

- Alaska
- California
- Delaware
- Florida
- Hawaii
- Kentucky
- Maine
- Nevada
- New Hampshire
- New Jersey
- North Carolina
- South Carolina
- South Dakota
- Tennessee
- Texas
- Virginia
- Washington
- Wyoming

■ ALL OTHER STATES

These states offer potential tax breaks on contributions made only to in-state 529 plans.

To learn more, consult your financial advisor, visit www.ny529advisor.com or call **1-800-774-2108**.

CONSULT YOUR FINANCIAL AND TAX ADVISORS

State tax benefits are just one factor to consider in a 529 plan. Your advisors can review other features and benefits to help you choose the right plan for your specific situation.

This information is for general educational purposes only and is not to be considered legal or tax advice.

¹ Earnings on non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as state and local income taxes.

² Deductions may be subject to recapture in certain circumstances, such as rollovers to another state's plan or non-qualified withdrawals.

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529 plan tax benefits by state, 2017 (Source: J.P. Morgan Asset Management leveraging data from savingforcollege.com and taxfoundation.org.)

State	Maximum annual state income tax benefit ³	Who qualifies?	Carry forward ⁴	State tax rate ⁵	State tax savings ⁵	Net tax savings ⁶
ALABAMA	\$5,000 (I), \$10,000 (J) ⁷	Taxpayer		5.00%	\$500	\$375
ARIZONA	\$2,000 (I), \$4,000 (J)	Taxpayer		4.24%	\$170	\$127
ARKANSAS	\$5,000 (I), \$10,000 (J)	Taxpayer		6.90%	\$690	\$518
COLORADO	Full contribution amount, to the extent of the taxpayer's taxable income	Taxpayer		4.63%	\$463	\$347
CONNECTICUT	\$5,000 (I), \$10,000 (J)	Taxpayer	5 years	5.50%	\$550	\$413
DIST. OF COLUMBIA	\$4,000 (I), \$8,000 (J) ⁸	Account owner	5 years	8.50%	\$680	\$510
GEORGIA	\$2,000 (I), \$4,000 (J)	Taxpayer, per beneficiary		6.00%	\$240	\$180
IDAHO	\$6,000 (I), \$12,000 (J)	Taxpayer		7.40%	\$740	\$555
ILLINOIS	\$10,000 (I), \$20,000 (J)	Taxpayer		3.75%	\$375	\$281
INDIANA	20% tax credit on contributions up to \$5,000; maximum credit is \$1,000	Taxpayer	Credit	3.30%	\$1,000	\$750
IOWA	\$3,239 (I), \$6,478 (J) ⁹	Account owner, per beneficiary		8.98%	\$582	\$436
KANSAS	\$3,000 (I), \$6,000 (J)	Taxpayer, per beneficiary		4.60%	\$276	\$207
LOUISIANA	\$2,400 (I), \$4,800 (J) ¹⁰	Taxpayer, per beneficiary	Unlimited	6.00%	\$288	\$216
MARYLAND	\$2,500 (I), \$5,000 (J) ⁸	Account owner, per beneficiary	10 years	4.75%	\$475	\$356
MASSACHUSETTS	\$1,000 (I), \$2,000 (J)	Taxpayer		5.10%	\$102	\$77
MICHIGAN	\$5,000 (I), \$10,000 (J) ¹¹	Taxpayer		4.25%	\$425	\$319
MINNESOTA	\$1,500 (I), \$3,000 (J), or maximum credit is \$500 if AGI is \$160,000 or less ¹²	Taxpayer		7.05%	\$250	\$188
MISSISSIPPI	\$10,000 (I), \$20,000 (J)	Taxpayer		5.00%	\$500	\$375
MISSOURI	\$8,000 (I), \$16,000 (J)	Account owner/spouse ¹²		6.00%	\$600	\$450
MONTANA	\$3,000 (I), \$6,000 (J)	Account owner/spouse or custodian/parent		6.90%	\$414	\$311
NEBRASKA	\$10,000 (I,J), \$5,000 if married filing separately	Account owner or parents/guardians of UTMA/UGMA accounts		6.84%	\$684	\$513
NEW MEXICO	Full contribution amount	Taxpayer		4.90%	\$490	\$368
NEW YORK	\$5,000 (I), \$10,000 (J)	Account owner/spouse ¹²		6.45%	\$645	\$484
NORTH DAKOTA	\$5,000 (I), \$10,000 (J)	Taxpayer		2.04%	\$204	\$153
OHIO	\$2,000 (I, J)	Taxpayer, per beneficiary	Unlimited	3.96%	\$396	\$297
OKLAHOMA	\$10,000 (I), \$20,000 (J)	Taxpayer	5 years	5.00%	\$500	\$375
OREGON	\$2,330 (I), \$4,660 (J) ⁹	Taxpayer	4 years	9.00%	\$900	\$675
PENNSYLVANIA	\$14,000 (I), \$28,000 (J) ¹³	Taxpayer, per beneficiary		3.07%	\$307	\$230
RHODE ISLAND	\$500 (I), \$1,000 (J) ⁸	Account owner	Unlimited	4.75%	\$475	\$356
SOUTH CAROLINA	Full contribution amount	Taxpayer		7.00%	\$700	\$525
UTAH	5% tax credit on contributions up to \$1,920 (I), \$3,840 (J); maximum credit is \$96 (I), \$192 (J) ¹⁵	Account owner, per beneficiary ¹⁴	Credit	5.00%	\$192	\$143
VERMONT	10% tax credit on contributions up to \$2,500 (I), \$5,000 (J); maximum credit is \$250 (I), \$500 (J) ¹⁵	Account owner, per beneficiary	Credit	6.80%	\$500	\$375
VIRGINIA	\$4,000 (I, J); fully deductible if age 70 or older ¹⁶	Account owner, per account	Unlimited	5.75%	\$575	\$431
WEST VIRGINIA	Full contribution amount	Taxpayer		6.50%	\$650	\$488
WISCONSIN	\$3,140 (I,J), \$1,570 if married filing separately	Taxpayer, per beneficiary	Unlimited	6.27%	\$627	\$470

I = Filing individually, J = Filing jointly ■ Program home state ■ Tax parity ■ In-state tax benefit

Important Information

³ State tax deductions may be subject to recapture on non-qualified withdrawals and/or outbound rollovers in subsequent years. Review the applicable plan disclosure statements. ⁴ Some states allow taxpayers who contribute above the maximum annual tax deduction to carry forward excess contributions to future state income tax returns. ⁵ Assumes joint tax filers with \$100,000 in taxable income and \$10,000 in 529 plan contributions in 2017. Includes any applicable carry forward contributions. ⁶ If you itemize, state tax savings must be claimed as income on the following year's federal tax return. Net savings reflect final savings after federal taxes (hypothetical tax rate of 25%). ⁷ Married couples who each make their own contribution. ⁸ Married couples who each make contributions to their own account. ⁹ Adjusted annually for inflation. ¹⁰ Certain deductions may be claimed each year for an account opened for needy, non-related beneficiaries meeting eligibility requirements. Consult your tax advisor for more information. ¹¹ Contributions are reduced by qualified withdrawals during the year for purposes of determining the amount that may be deducted. ¹² Contributions by a spouse are only deductible if a joint return is filed. ¹³ Spouses filing jointly must each have at least \$14,000 in income to claim the maximum \$28,000 per-beneficiary deduction. ¹⁴ Contributions to an account established after a beneficiary reaches age 19 are not eligible. Contributions from a non-owner are creditable by the account owner and not by the non-owner/contributor. ¹⁵ Only contributions made by the account owner, and by a non-account owner who files a joint return with the account owner, are eligible for the credit. ¹⁶ Contributions are fully deductible in the year of contribution for taxpayers at least 70 years of age. Contributions from a non-owner are deductible by the account owner and not by the non-owner/contributor. ¹⁷ Credit received is based on a % of net contributions and represents a sliding scale dependent on taxable income.

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Before you invest, 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 that state's qualified tuition program.

The Comptroller of the State of New York and the New York State Higher Education Services Corporation are the Program Administrators and are responsible for implementing and administering the Advisor-Guided Plan. **Neither the State of New York nor its agencies insures accounts or guarantees the principal deposited therein or any investment returns on any amount or investment portfolio.**

Ascensus Broker Dealer Services, Inc. and Ascensus Investment Advisors, LLC serve as Program Manager and Recordkeeping and Servicing Agent, respectively, and are responsible for day-to-day operations, including effecting transactions. J.P. Morgan Investment Management Inc. serves as the Investment Manager. J.P. Morgan Asset Management is the marketing name for the asset management businesses of JPMorgan Chase & Co. JPMorgan Distribution Services, Inc. markets and distributes the Advisor-Guided Plan. JPMorgan Distribution Services, Inc. is a member of FINRA/SIPC.

New York's 529 College Savings Program includes two separate 529 plans. The Advisor-Guided Plan is sold exclusively through financial advisors who have entered into Advisor-Guided Plan selling agreements with JPMorgan Distribution Services, Inc. You may also participate in the Direct Plan, which is sold directly by the Program and offers lower fees. However, the investment options available under the Advisor-Guided Plan are not available under the Direct Plan. The fees and expenses of the Advisor-Guided Plan include compensation to the financial advisor. Be sure to understand the options available before making an investment decision.

For more information about New York's 529 Advisor-Guided College Savings Program, you may contact your financial advisor or obtain an Advisor-Guided Plan Disclosure Booklet and Tuition Savings Agreement at www.ny529advisor.com or by calling 1-800-774-2108. This document includes investment objectives, risks, charges, expenses, and other information. You should read and consider it carefully before investing.

The Program Administrators, the Program Manager and JPMorgan Distribution Services, Inc., and their respective affiliates do not provide legal or tax advice. This information is provided for general educational purposes only. This is not to be considered legal or tax advice. Investors should consult with their legal or tax advisors for personalized assistance, including information regarding any specific state law requirements.

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