

For Immediate Release
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Georgia Residents Have Until April 15th to take advantage of 2007 Income Tax Benefits from the *Path2College 529 Plan*

Contribute to Path2College 529 Plan account by April 15 to claim a 2007 Georgia income tax deduction

ATLANTA – Georgia residents who want to save for a child’s college education -- and at the same time take advantage of a state income tax deduction -- may do so through the *Path2College 529 Plan*, established by the Georgia Higher Education Savings Plan.

Contributions to new or existing *Path2College 529 Plan* accounts up to \$2,000 per beneficiary are deductible from 2007 Georgia state income taxes if the money is contributed by April 15. (Georgia taxpayers are not required to itemize deductions to make this adjustment to income. Georgia tax forms refer to the *Path2College 529 Plan* as “Georgia Higher Education Savings Plan (GHESP). Recapture provisions may apply. Please note that rollovers from another state’s 529 plan are not eligible for the Georgia state income tax deduction).

Thanks to new state legislation, *all* contributors to the *Path2College 529 Plan* now are eligible for the Georgia income tax deduction.

Previously, only a contributor who claimed the beneficiary as a dependent and who met certain income limitations could take advantage of the state tax deduction. The new law allows grandparents and other family members to take up to a \$2,000 state tax deduction on behalf of any beneficiary for Georgia income tax purposes.

In addition to making grandparents and others eligible, the law removed the previous income restriction on eligibility for the tax deduction. The law enables all Georgia state income tax payers to take full advantage of the tax break – regardless of their income.

The tax law changes were made in last year’s legislative session, allowing contributors to realize the tax benefits on their 2007 Georgia state income tax returns.

“The Georgia tax deduction means everyone should consider making at least a \$2,000 contribution to a child or grandchild's account,” said Lee Van Leuvan, an Atlanta-based certified financial planner and president of LVL Financial, Inc.

Formerly known as the Georgia Higher Education Savings Plan, any funds in the *Path2College 529 Plan* account can be used for tuition and other qualified college expenses such as certain room and board, books, and fees at virtually all colleges in Georgia and nationwide. Any Earnings in *Path2College 529 Plan* accounts are tax-deferred. Money withdrawn for qualified higher education expenses is tax-free.

“By opening a *Path2College 529 Plan* account, family members take a big step in planning and preparing for a child's higher education expenses,” said Chuck Penuel, director of the *Path2College 529 Plan*. “Now that all Georgians are eligible for the state income tax deduction, we hope even more Georgia families will open accounts by the tax deadline to receive the 2007 state income tax benefits and to start their college planning process.”

Launched in April 2002, Georgia's 529 Plan reached an important milestone in spring 2007 when assets surpassed the \$500 million mark. Currently the plan has \$570 million in assets and more than 86,000 individual accounts as of February 22, 2008. For more information on the *Path2College 529 Plan*, visit: www.path2college529.com or call 1-877-424-4377. Chuck Penuel may be reached at (404) 463-0000 or by e-mail at chuckpenuel@otfs.ga.gov.

Consider the investment objectives, risks, charges and expenses before investing in the Path2College 529 Plan. Please visit www.path2college529.com for a Disclosure Booklet containing this and other information. Read it carefully.

Before investing in a 529 plan, you should consider whether the state you or your Beneficiary reside in or have taxable income in has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in that state's 529 plan.

We are required to notify you that the tax information contained herein is not intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax penalties. It was written to support the promotion of the Path2College 529 Plan. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.

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