

## RESOLUTION

### *Exclude from Income Employer Contributions to an Employee's Section 529 Plan or a Section 529 Scholarship Program*

- WHEREAS,** The rising cost of higher education continues to outpace inflation and, without proper planning, those costs can jeopardize a family's ability to ensure their children have access to higher education; and
- WHEREAS,** A trained, highly skilled workforce is an investment that will benefit all of America through innovation and business development; and
- WHEREAS,** Tax code incentives that promote employer contributions into the retirement plans of employees have proven to be an effective method to increase retirement savings; and
- WHEREAS,** Tax code incentives that similarly promote employer contributions to Section 529 Qualified Tuition Plans will be an effective method of encouraging continued education among employees; and
- WHEREAS,** The "tax-free" treatment of Section 529 plan earnings has encouraged a record number of parents to start saving for their children's college expenses, accumulating assets in these programs nationwide that have grown from \$13 billion in 2001 to more than \$112 billion today.

**NOW, THEREFORE BE IT RESOLVED,** that the National Association of State Treasurers and its College Savings Plans Network urges the President and the Congress of the United States to enact legislation that allows employers to exclude from an employees' gross income and wages certain contributions made to Section 529 Qualified Tuition Programs to benefit employees and their families and / or to develop or create scholarship programs with the contributions.

Approved this 15<sup>th</sup> Day of July, 2007 by  
The National Association of State Treasurers



Hon. Tate Reeves  
NAST President and Mississippi State Treasurer