

Start Strong in 2026 with Smarter Education Savings

Make this the year you take control of education savings and unlock new ISave 529 advantages.

A message from the Treasurer

It is hard to believe 2026 is already here. It seems like just yesterday my wife and I were opening ISave 529 accounts for our children, and now they are using or about to use those funds for higher education! I know many of you feel the same. Watching the children in your life grow up is a fun and exciting time and should not be clouded with the concerns of paying for education. ISave 529™ is here to help!

As we welcome a new year, learn more about ISave 529's tools to save wisely, invest with purpose and take advantage of the powerful resources available.

Roby Smith
Iowa State Treasurer

New Year's resolution: make savings automatic

Is saving for future education expenses your New Year's resolution? There's no easier way to stay on track all year long than by setting up automatic contributions to your ISave 529 account. Whether you're saving for a child, grandchild or another loved one, automatic deposits help ensure consistent progress toward their future goals.

You can choose the amount and schedule that fits you best, and contributions will be made automatically from your bank account or from your paycheck. Even small, steady investments can grow significantly over time.

[Set up automatic withdrawals today](#)

Using funds after graduation

For some families, there are funds left in an ISave 529 account after a child has finished their education journey, or maybe the student's plan changed. There are a few options for the remaining funds:

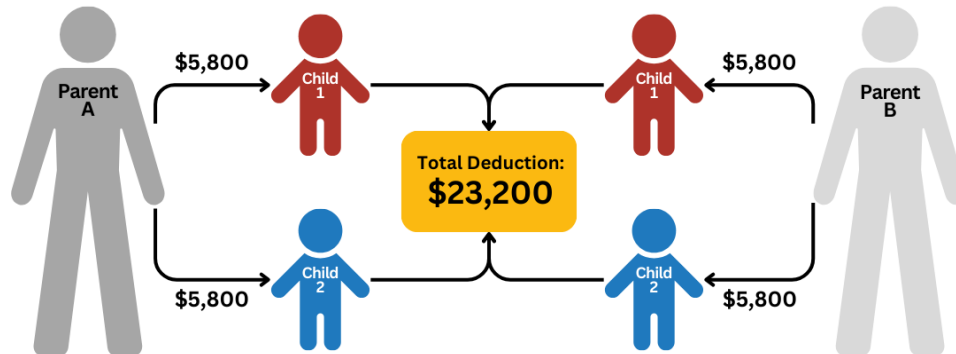
Stay invested or change the beneficiary. You can leave the money in the account in case the beneficiary decides to attend school later or continue their education. You could also change the beneficiary on your account at any time, provided the new beneficiary is an eligible family member of the original beneficiary.

Roll over to a Roth IRA. If your account has been open for 15 or more years, you may be able to roll the money over to the beneficiary's Roth IRA.

Learn more about the other options at [ISave529.com](https://www.iasave529.com).

New Year: New Tax Deduction

For 2026, ISave 529 account owners who are Iowa taxpayers can deduct up to \$6,100 of their contributions per beneficiary account from their state taxable income. Married couples filing jointly can maximize their deduction by opening an account for each child.



ISave 529 is even more flexible.

ISave 529 has gotten even better! ISave 529 funds can be used for:

- Recognized postsecondary credentials and credential programs, plus associated costs, are now qualified expenses.
- K-12 expenses beyond tuition, like books, testing fees and tutoring. Educational therapies for students with disabilities are also now included as a qualified expense.*
- The annual withdrawal limit for K-12 expenses increased from \$10,000 to \$20,000.**

Learn more about these changes with our [Reconciliation Bill Fact Sheet \(PDF\)](#).

[Fact Sheet \(PDF\)](#)

*Up to \$20,000 per beneficiary per calendar year can be used to pay for tuition, books, testing fees, tutoring and educational therapies for students with disabilities in connection with enrollment at an elementary or secondary public, private or religious school. For Iowa tax purposes, the school must generally be in Iowa unless an exception applies.

**State tax treatment of K-12 withdrawals is determined by the state(s) where the taxpayer files state income tax. If you are not an Iowa taxpayer, please consult with a tax advisor.

For more information about ISave 529, or if you need any assistance with your account, visit ISave529.com or call (888) 672-9116. Consult the [Program Description](#) for details.