

	529 Savings plans	Roth individual retirement account	Uniform trust/ gift to minors act account (utma/ugma)	Coverdell education savings account	Life insurance
<b>Description</b>	State sponsored, tax-advantaged savings vehicles for qualified higher education expenses.	Tax-advantaged retirement vehicle that may also be used to fund qualified higher education expenses.	Custodial account managed for the benefit of a minor. The account is an irrevocable transfer of assets in a child's name. (Cannot recover the funds placed in the account.)	Tax-advantaged savings vehicle for qualified K-12 and higher education expenses.	Life insurance policies must be those which are considered "permanent" and which build cash value as premiums are paid. Using a policy's loan provision to create cash flow will avoid any tax liability on the transaction.
<b>Income Limits</b>	None	Yes, subject to Modified Adjusted Gross Income (MAGI) limitations: Individuals: MAGI must be less than \$144,000. Married, Joint: MAGI must be less than \$214,000. Other restrictions apply.	None	Yes, subject to Modified Adjusted Gross Income (MAGI) limitations: Individuals: MAGI must be less than \$110,000. Married, Joint: MAGI must be less than \$220,000.	None
<b>Age Requirements for Account Owner or Beneficiary</b>	None	None	Account ownership transfers to the minor upon reaching the age of majority, usually between ages 18-21, or the ownership age specified when the trust was set-up.	Contributions: Beneficiary must be under age 18 unless a special needs beneficiary. Distributions: Must be completed by the time the beneficiary reaches age 30, unless a special needs beneficiary.	Policy owner must be 18-21 years old depending on the state of issue, policy type, and insurance company.
<b>Ability to Change the Beneficiary</b>	Yes, at any time, to another qualified member of the current beneficiary's family, or yourself.	Yes, at any time. But there are varying limitations and tax liabilities depending on your selection.	No	Yes, but only to another member of the current beneficiary's family under the age of 30, or a special needs beneficiary of any age.	Yes, but irrelevant when utilizing cash value.
<b>Maximum Contribution Limit</b>	\$500,000 cumulative for all accounts for the same beneficiary.  *Varies by state	Maximum limit is \$6,000 (\$7,000 for taxpayers 50+) subject to the MAGI limitations. Excess contributions are subject to a 6% excise tax.	Unlimited	The total amount of all contributions to a single beneficiary cannot exceed \$2,000/year. Excess contributions are subject to a 6% penalty.	Single-premium limit based on several factors including age of policy owner and face value of the policy. Note: Modified Endowment Contract (MEC) rules dictate these factors.
<b>State Tax Deduction for Contributions</b>	Yes, for taxpayers in the applicable state.	No	No	No	No
<b>Federal Income Tax Treatment of Earnings</b>	Tax free while in the account and used for qualified, higher education withdrawals.	Tax exempt while in the account.	Earnings and gains taxed to minor; first \$1050 of unearned income is tax exempt; unearned income over \$2,100 for certain children under age 24 is taxed at parent's marginal tax rate.	Tax free if the distributions do not exceed the beneficiary's qualified education expenses for the year.	Taxable, unless taken as part of a policy loan.
<b>Annual Limit for Gift Tax Exclusion</b>	\$16,000 single/\$32,000 married couple per beneficiary in a single year without federal gift tax consequences. Multiple year options are available but restrictions apply.	Not applicable.	\$16,000 single/\$32,000 married couple per beneficiary in a single year without federal gift tax consequences. Multiple year options are available but restrictions apply.	The maximum contribution limit is below the annual limit for gift tax exclusion.	Not applicable.