

BUILDING BLOCK 2

Choose the Right College and Career Savings Account

After you activate and view your child's NYC Scholarship Account, take the next step in the Save for College Program:

Open a college and career savings account for your child and connect it to their NYC Scholarship Account online

Your child will get a **\$25 reward** in their NYC Scholarship Account once you complete this step.

This guide has information about two savings account options available through the Save for College Program. *This information may change in future years.*

The NYC Kids RISE Save for College Program is a scholarship and savings program administered by NYC Kids RISE Inc., a nonprofit, in partnership with the NYC Department of Education and the City of New York. NYC Kids RISE is neither affiliated with, nor an authorized distributor of, New York's 529 College Savings Program and does not solicit investments or provide investment advice. The City of New York and the NYC Department of Education offer no endorsement or recommendation about, and do not control, own or are affiliated with the NY 529 Program Manager and any particular college savings or other investment vehicle, including ones which families may learn about through the Save for College Program.

	COMPARISON OF ACCOUNT OPTIONS	
FEATURE	NY 529 <i>Direct Plan</i> Account	Amalgamated Save for College Bank Account
WHAT IS IT?	An investment account to save for college and career training. Money can grow over time but might also lose value based on the investments selected.	A traditional savings account at Amalgamated Bank. Money earns interest and is insured by the FDIC up to \$250,000. ¹
HOW TO OPEN IT	Go to nyckidsrise.org/view and log in to your NYC Kids RISE Savings Tracker account. Click "Create/Connect" to start the NY 529 <i>Direct Plan</i> application.	Visit an Amalgamated Bank branch in NYC. Find a branch at amalgamatedbank.com/find-branch-or-atm . Call 800-662-0860 for more information. If you would like to open an Amalgamated Save for College Bank Account online, please call the NYC Kids RISE hotline at 833-543-7473 .
MINIMUM DEPOSIT	No minimum deposit to open. Must deposit within six months to keep the account open. If closed, you must reopen the account by contacting NY 529 at 877-697-2837 . NYC Kids RISE recommends making a \$5 deposit soon after opening.	No minimum deposit to open. Must deposit at least once within nine months to keep the account open. NYC Kids RISE recommends making a \$5 deposit soon after opening.
WHAT CAN SAVINGS BE USED FOR?	Qualified Expenses include college and career education costs (like tuition, books, laptops). Non-education use may lead to state and federal taxes and penalties. ²	No legal limits on how to use the money, but it is meant for education and career training. No withdrawal penalties.
CAN YOU TAKE MONEY OUT ANYTIME?	Yes, but if the money is not used for Qualified Expenses, there may be taxes and fees.	Yes, you can take money out at any time without penalties.
HOW MONEY GROWS	Money can grow over time through return on investments, but there is a risk it could lose value.	Money earns a small amount of interest over time, but it is unlikely to be higher than the inflation rate.
TAX BENEFITS	Money grows tax-free and you might get state tax breaks. New York State taxpayers can deduct up to \$5,000 (\$10,000 for married couples) per year. ²	No tax benefits.
IMPACT ON FINANCIAL AID	If your income is under \$50,000, savings usually won't affect financial aid. If your income is higher, a small part of the savings might be factored into your child's future financial aid package.	If your income is under \$50,000, savings usually won't affect financial aid. If your income is higher, a small part of the savings might be factored into your child's future financial aid package.
IMPACT ON PUBLIC BENEFITS	Saving money might affect eligibility for benefits like SNAP or Medicaid. Visit nyckidsrise.org for more information.	Saving money might affect eligibility for benefits like SNAP or Medicaid. Visit nyckidsrise.org for more information.

FEATURES	IMPORTANT DETAILS	
	NY 529 <i>Direct Plan</i> Account	Amalgamated Save for College Bank Account
WHERE CAN YOU OPEN IT?	Online	Online or in-person
WHAT DO YOU NEED TO OPEN AN ACCOUNT?	<ul style="list-style-type: none"> <input type="checkbox"/> Account owner and child’s Social Security Numbers (SSN) or Individual Taxpayer Identification Numbers (ITIN) <input type="checkbox"/> Email address <input type="checkbox"/> Verified U.S. address <input type="checkbox"/> Date of birth of the account owner <input type="checkbox"/> Child’s name and date of birth 	<ul style="list-style-type: none"> <input type="checkbox"/> Account owner’s Social Security Numbers (SSN) or Individual Taxpayer Identification Numbers (ITIN) <input type="checkbox"/> Valid photo ID issued by a federal or state government agency, or an IDNYC municipal ID. If you use an IDNYC card, additional proof of address is required, such as a cable or utility bill. <input type="checkbox"/> Address <input type="checkbox"/> Date of birth of the account owner <input type="checkbox"/> Child’s name and date of birth

Need More Help?

NYC Kids RISE is here to help. If you have questions, visit nykidsrise.org or call [833-543-7473](tel:833-543-7473) to learn more about saving for college and career training.

NOTE: These are not the only ways to save for college. However, the specific features and benefits provided by the Save for College Program for college and career savings accounts are available only for these two options. NYC Kids RISE does not provide investment advice or recommend any particular kind of college savings account. Every family’s financial circumstances are different, and you should consider your own circumstances before saving or investing. You may wish to explore other alternatives, such as 529 plans offered by other states and savings accounts offered by other banks, to see if they might be a better fit for you and your family.

¹ The standard deposit insurance coverage limit is \$250,000 per depositor, per FDIC-insured bank, per ownership category. Deposits held in different ownership categories are separately insured, up to at least \$250,000, even if held at the same bank.

² Earnings on federal nonqualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as state and local income taxes. New York State tax deductions may be subject to recapture in certain additional circumstances such as rollovers to another state’s 529 plan, or withdrawals used to pay elementary or secondary school tuition, as described in the Disclosure Booklet and Tuition Savings Agreement. State tax benefits for non-resident New York taxpayers may vary. Tax and other benefits are contingent on meeting other requirements. Please consult a tax advisor about your particular situation.