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**Please Support  
HB22-1310**

**Concerning the Alignment of the State Income Tax Deduction  
for Contributions to a 529 Account with the Changes in the Federal  
"Setting Every Community Up for Retirement Enhancement Act Of 2019"  
that Allows Tax-Free Distributions for Eligible Apprenticeship Programs**

**Sponsors:** Representatives Cathy Kipp and Colin Larson and Senators Jeff Bridges and Rob Woodward

**HB22-1310 Does One Simple Thing**

It allows for expenses for fees, books, supplies, and equipment required for participation in apprenticeship programs to be treated as "qualified higher education expenses"

**Background**

The federal "Setting Every Community Up for Retirement Enhancement Act of 2019" (SECURE Act) expanded qualified withdrawals from a 529 account to include payments for registered apprenticeships.

Under federal law, a 529 account operates like a Roth retirement account. Contributions to a 529 account are not tax deductible but are allowed to grow tax free in the account if the funds are spent on qualified education expenses.

Under current law, taxpayers may deduct contributions to a 529 account from their Colorado taxable income. Funds from a 529 account must be spent on qualified education expenses to be a qualified distribution.

HB22-1310 bill defines expenditures from a 529 account for fees, books, supplies, and equipment needed for apprenticeship programs as a qualified distribution. That distribution is not subject to a tax.

CollegeInvest which is Colorado's not-for-profit State agency, is charged with helping low to middle-income Coloradans save for post-secondary education and reduce student loan debt through tax-advantaged 529 college savings plans, free planning tools, \$100 kickstarter funding for new parents, matching grants, and scholarships.

NAIFA Colorado, the National Association of Insurance and Financial Advisors supports College Invest and supports families in saving for the future.

**HELP FAMILIES SAVE MONEY**

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