



Council For Lifelong Learning
Florida College Savings Program

Fact Sheet

September 2001

1. What is the Florida College Savings Program?	The Florida College Savings Program (Program) allows an individual to contribute funds to an account that are subsequently invested in order to pay for the higher education expenses of a designated beneficiary. The Florida College Savings Program is administered by the Florida Prepaid College Board. The Board is in the process of implementing the Program.
2. Who can contribute funds?	No restrictions apply to an individual contributing funds to an account established under the Florida College Savings Program.
3. Are there restrictions governing the beneficiary of an account?	No restrictions apply to an individual designated as the beneficiary of an account established under the Florida College Savings Program. A beneficiary does not have to meet residency, age, or grade level requirements.
4. How are the funds contributed to an account invested?	Funds contributed to an account established under the Florida College Savings Program are invested in accordance with a comprehensive investment plan adopted by the Florida Prepaid College Board and approved by the State Board of Administration. An individual account consists of the principal plus investment gains or minus investment losses.
5. What higher education costs does the Program cover?	Earnings generated from an account established under the Florida College Savings Program can be used to pay for a beneficiary's tuition, fees, books, supplies, equipment, and room and board.
6. What types of payment plans are available?	A benefactor may contribute funds to an account established under the Florida College Savings Program via a lump sum or an installment plan. Contributions must be made in cash and can be transferred electronically or remitted through payroll deductions.
7. Does a beneficiary of the Program have to attend a Florida institution?	A beneficiary of the Florida College Savings Program is not obligated to attend a postsecondary institution in Florida. A beneficiary must attend an eligible postsecondary educational institution as defined in Title 26, Section 135(c)(3), US Code.
8. Are there any tax benefits associated with the Program?	Yes. Earnings generated from an account established under the Florida College Savings Program are tax deferred. The earnings are taxed against a beneficiary's gross income once they are used to pay for a beneficiary's higher education expenses.

Florida College Savings Program

9. Can the earnings generated from the Program be used to pay for graduate education costs?	Yes. Earnings generated from an account established under the Florida College Savings Program can be used to pay for the costs associated with either an undergraduate or graduate education.
10. Are accounts established under the Program financially guaranteed?	No. The Florida College Savings Program is not financially guaranteed by the State of Florida.
11. What are the applicable statutes and rules?	Section 240.553, F.S. -- Florida College Savings Program
12. Where can I get additional information?	Florida Prepaid College Program 1-800-552-GRAD www.floridaprepaidcollege.com The Florida House of Representatives Committee on Colleges & Universities (850) 488-3711