

4th Quarter 2025

## You may qualify for an Alabama tax deduction – Here's how!

Alabama taxpayers who contributed to a CollegeCounts 529 account before December 31, 2025, may be eligible for a state income tax deduction up to \$10,000 for married taxpayers filing jointly if both contribute (up to \$5,000 when filing as an individual).<sup>1</sup>



Be sure to consider these important tips when filing your taxes to maximize your Alabama state tax deduction.

- ✓ Year-to-date contributions can be found on your 4<sup>th</sup> quarter statement. We recommend verifying all contributions on your 4<sup>th</sup> quarter statement against your bank statement and online transaction history.
- ✓ Adjust for any contribution made by a third-party (not deductible by you).
- ✓ Contributions received before 3pm CT, on December 31<sup>st</sup>, will be included on your 4<sup>th</sup> quarter statement.
- ✓ Online contributions made between 3pm - 11:59pm CT on December 31<sup>st</sup> or contributions that were mailed in late December with a 2025 postmark but received in early January will show on your 1<sup>st</sup> quarter 2026 statement as a "prior year" contribution. We recommend reviewing any "prior year" contributions to make sure they are included in your tax reporting.

- ✓ The full amount of a rollover from an out-of-state 529 plan into CollegeCounts may be deductible for Alabama state income tax purposes.<sup>1,2</sup>
- ✓ In the 1<sup>st</sup> quarter of 2026, a 2025 contribution summary will be made available to account owners via their online access at [CollegeCounts529.com](https://CollegeCounts529.com).
- ✓ If you made a gift of more than \$19,000 (the 2025 annual gift tax exclusion) to a CollegeCounts account in 2025, we recommend speaking with your tax professional to determine if you are required to file a Form 709 Gift Tax Return to have your gift split over 5 years.



For additional tax information visit:  
[CollegeCounts529.com/Resources/Tax-Center](https://CollegeCounts529.com/Resources/Tax-Center)



### Tax Form 1099-Q

In late January 2026, your **Tax Form 1099-Q** will be available online for any 2025 distributions from your CollegeCounts account. Simply log in at [CollegeCounts529.com](https://CollegeCounts529.com), go to your account, and select "Documents."

**A tax form is NOT generated for contributions to your CollegeCounts account.** Please review your statements, contribution summary and bank records for contribution details for your account.

BEST FOR INVESTMENT CUSTOMIZATIONS

### CollegeCounts Alabama 529 Fund

CollegeCounts<sup>SM</sup>  
Alabama's 529 Fund

4.8 ★★★★★  
Forbes ADVISOR

We're excited to share that **Forbes** has recognized CollegeCounts as one of their best 529 plans of 2026!

We appreciate that you have entrusted us to help save for your loved one's education expenses. The start of a new year is a great time to review your contribution strategy and consider whether increasing your contributions aligns with your long-term goals.

# Explore our Redesigned Website and Enhanced Account Portal

With our redesigned website and enhanced account portal, your CollegeCounts experience is now easier, faster and more flexible than ever, letting you focus on what matters most – their future.

 **Enhanced Digital Experience:** A redesigned website and enhanced user portal make managing your CollegeCounts account a breeze. With new tools, quick access, and a user-friendly design, you'll feel confident every step of the way.

 **Quick Pay:** Our enhanced payment system helps get your student's tuition payments to participating colleges in just days – so they can start strong, and you can breathe easier.

Check out the new [CollegeCounts529.com](https://CollegeCounts529.com) today!



**“Success is not final; failure is not fatal: it is the courage to continue that counts.” - Winston Churchill**

The CollegeCounts 529 Fund is a qualified tuition program under Section 529 of the Internal Revenue Code that is offered by the State of Alabama, administered by the Board of Trustees of the ACES Trust Fund (the “Trust” and plan issuer), marketed as the CollegeCounts 529 Fund, and Union Bank and Trust Company serves as Program Manager. Union Bank and Trust Company is registered as a municipal advisor with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB). Except for any investments made by a Participant in the Bank Savings 529 Portfolio up to the limit provided by Federal Deposit Insurance Corporation (“FDIC”) insurance, neither the principal contributed to an Account, nor earnings thereon, are guaranteed or insured by the State of Alabama, the State Treasurer of Alabama, the Board, the Trust, the Program, any other state, any agency or instrumentality thereof, Union Bank and Trust Company, the FDIC, or any other entity. Investment returns are not guaranteed. Account Owners in the Plan assume all investment risk, including the potential loss of principal.

An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This and other important information is contained in the fund prospectuses and the CollegeCounts 529 Fund Program Disclosure Statement (issuer's official statement), which can be obtained by calling 866.529.2228 and at [CollegeCounts529.com](https://CollegeCounts529.com) and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement.

# CollegeCounts Scholarship – Accepting Applications through February 28th

Do you know a student who will be starting college in fall 2026 at an Alabama college or university? **Encourage them to apply for the CollegeCounts Scholarship.**

Selected recipients may receive:

 **Up to \$2,000 for students attending a 2-year Alabama college**

 **Up to \$4,000 for students attending a 4-year Alabama college**

CollegeCounts strives to award scholarships to students with financial need — helping them build a foundation for success.

 Application period:  
**December 1, 2025 – February 28, 2026**

 Learn more and apply at:  
[Treasury.Alabama.Gov/CollegeCounts-Scholarship](https://Treasury.Alabama.Gov/CollegeCounts-Scholarship)

An investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 plan. Investors should consult a tax advisor.

<sup>1</sup>Individuals who file an Alabama state income tax return are eligible to deduct for Alabama state income tax purposes up to \$5,000 per tax year (\$10,000 for married taxpayers filing jointly if both actually contribute) for total combined contributions to the Plan and other State of Alabama 529 programs. The contributions made to such qualifying plans are deductible on the tax return of the contributing taxpayer for the tax year in which the contributions are made. In the event of a Nonqualified Withdrawal from the Plan, for Alabama state income tax purposes, an amount must be added back to the income of the contributing taxpayer in an amount of the Nonqualified Withdrawal plus ten percent (10%) of such amount withdrawn. Such amount will be added back to the income of the contributing taxpayer in the tax year that the Nonqualified Withdrawal was distributed. Please consult with your tax professional.

<sup>2</sup>Rollovers from another qualified tuition program are treated as a non-taxable distribution from the distributing qualified tuition program provided (1) it has been more than 12 months since any previous rollover for the beneficiary, or (2) the beneficiary of the account is changed to a Member of the Family of the current beneficiary.

**NOT FDIC INSURED\* | NO BANK GUARANTEE | MAY LOSE VALUE**  
(\*Except the Bank Savings 529 Portfolio underlying investment)

[CollegeCounts529.com](https://CollegeCounts529.com) | 866.529.2228

**CollegeCounts<sup>SM</sup>**  
Alabama's 529 Fund



UBT 529 SERVICES, a division of  
**UBT**  
Union Bank & Trust  
Program Manager