2009 ILLINOIS TAX DEDUCTION
If you haven’t already, be sure to take advantage of the generous Illinois State Income Tax Deduction for contributions made to your Illinois 529 account(s). Individual filers can deduct up to $10,000 and joint filers can deduct up to $20,000 for contributions made on or before December 31, 2009. Account owners can quickly and easily make contributions online. Don’t put off your contributions – you only have until December 31 to make a contribution for this year!

ROLOVERS CAN BE A GREAT FUNDING SOURCE
Consider rolling over funds from other 529 accounts you may have to your Bright Directions account. Rollovers are a great funding source without having to contribute any “new” dollars. The principal or basis portion of the rollover is also eligible for the Illinois State Income Tax Deduction. Act now to complete a rollover before the end of the year to take advantage of the state income tax deduction benefit.

HOLIDAY GIFT IDEA
Encourage friends or family to take advantage of the Illinois State Income Tax Deduction by contributing to your Bright Directions account. Parents/Grandparents looking for a unique gift idea that will truly benefit the recipient can make a contribution and also take advantage of the Illinois State Income Tax deduction. Gift cards and deposit coupons are both available online or by contacting us. Remind contributors that the deadline for contributions to qualify for the 2009 state income tax deduction is December 31st!

2009 GIFTS
The deadline to make a gift to a Bright Directions account for Gift Tax purposes is December 31, 2009. We would recommend you make your contribution by December 24th in order to allow sufficient time for the check to clear your bank account before the end of the year. You can also make an electronic contribution online instead of mailing a check. The 2009 gift limit is $13,000 for individuals or $26,000 for married couples. If you accelerate your gift for the next 5 years, the limit goes up to $65,000 for individuals or $130,000 for married couples. Be sure to consult your tax professional with questions regarding large gifts to your account.

2009 COLLEGE EXPENSES – TIME IS SHORT!
It is very, very difficult, if not impossible to predict the market’s highs and lows consistently. Based on that wisdom, we suggest investors select an asset allocation that matches their tolerance for risk, invest on an ongoing basis through a monthly investment plan, and stick with it through good and bad times. The investors that can get hurt are those that jump in and out of the markets.

LONG TERM INVESTING
2008 and 2009 have been an eventful time in the markets. Even the experts say it is very, very difficult, if not impossible to predict the market’s highs and lows consistently. Based on that wisdom, we suggest investors select an asset allocation that matches their tolerance for risk, invest on an ongoing basis through a monthly investment plan, and stick with it through good and bad times. The investors that can get hurt are those that jump in and out of the markets.

Invest for the long haul, stay the course, and keep your eye on the long term goal of helping your child with their future college expenses.

Best wishes for a Happy & Safe Holiday Season!