



DIRECTIONS



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In This Edition:

2007 Illinois Tax Information

2007 Tax Reporting Form 1099-Q

Make 2008 Less Taxing

Invest Your Tax Refund

Gift Tax Return (IRS Form 709)

Match Expenses and Withdrawals



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Illinois State Treasurer
Trustee & Administrator



Program Manager

Not FDIC Insured
No Bank Guarantee
May Lose Value

2007 ILLINOIS TAX INFORMATION

Illinois taxpayers filing jointly may qualify for up to a \$20,000 Illinois State income tax deduction (\$10,000 if single) for contributions made to the Illinois 529 program during 2007. The deduction is for total contributions to all accounts and is not per beneficiary. Your enclosed account statement includes contributions that were made to the account and were received during 2007. Please note, any contributions for 2007 received after December 31st will be reflected on your March 31, 2008 statement. If you mailed the contribution in 2007 with a December 31st postmark, it should qualify for the 2007 Illinois tax deduction.

It is our understanding that Schedule M, Line 11c is where tax deductible contributions to Bright Directions are to be reported for Illinois State income tax purposes. Consult your tax professional, visit our web site, or visit the Illinois Department of Revenue site at: www.revenue.state.il.us for additional information.

2007 TAX REPORTING FORM 1099-Q

If you took a distribution in 2007 you will receive a Form 1099-Q from us later this month. Please include this with your other tax papers when you meet with your tax professional. It is important to also keep all invoices, receipts, and any documentation regarding qualified college costs with your tax papers in the event you ever receive a tax question from the IRS or Illinois Department of Revenue.

MAKE 2008 LESS TAXING

Keep in mind, the \$10,000/\$20,000 Illinois State income tax deduction is available for contributions you make to the Illinois program. Get a jump on 2008 and consider contributing now!

* INVEST YOUR TAX REFUND *

If you receive a tax refund this year consider depositing it into your Bright Directions College Savings Program account. It is easy to do and the additional funds will be helpful for future college expenses.

Your tax form will typically provide a section that allows you to have your refund deposited directly into a bank account.

In order to deposit your refund to a Bright Directions account here is the information you will need:

Routing Number:

1	0	4	9	1	0	7	9	5
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Type of Account: Savings

Account #:

5	2	9
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**after 529 include your 9 digit Bright Direction College Savings Program account number*

GIFT TAX RETURN (IRS FORM 709)

If you made a large gift in 2007 be sure to inform your tax professional. A gift tax return may be required. The due date to file a gift tax return is April 15, 2008. If you completed a 5 year accelerated gift in 2007 please discuss the tax filing requirements with your tax professional.

MATCH EXPENSES AND WITHDRAWALS

As we mentioned in the last quarterly newsletter, it is important to match qualified expenses with the corresponding 529 withdrawal in the same calendar year. Please keep your receipts and invoices for tax purposes.

*Thank You for
Investing with us and
Best Wishes for 2008!*