



EDUCATION SAVINGS ACCOUNTS ELIGIBILITY & UPDATES

Coverdell Education Savings Account (ESA)

Who is eligible: Every child attending school is eligible to be the beneficiary of a Coverdell ESA. Any individual with income up to \$95,000 or \$190,000 for a married couple filing jointly, can contribute to a Coverdell account. Any business entity, regardless of income, can contribute to a Coverdell account. Contributions can be made to a child's account until age 18.

Update: The contribution limit is \$2,000 per year, per child. Money from these accounts can be applied to education expenses incurred while the child is in grades K-12, as well as higher education expenses. The definition of qualified education expenses has been expanded to include elementary and secondary school expenses at public, private or religious schools. These expenses include: tuition, room and board, fees, uniforms, academic tutoring, transportation, books, computer supplies, Internet access, athletic equipment and special needs services, among many others.

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