More Ways to Use a 529 Plan

If you've been setting money aside for your grandchildren's education, recent changes to 529 college savings plans may create additional opportunities for how those funds are used and could make this a good time to revisit your plan.

A Bigger Range of Qualified Expenses

Under the One Big Beautiful Bill Act (OBBBA), signed into law in July 2025, the definition of qualified expenses for K-12 education has expanded to include costs beyond tuition. [1] Books, curriculum materials, tutoring, standardized testing fees, and even certain therapies for students with disabilities may now qualify. This means your contributions can potentially stretch further, covering more of what your grandchildren need throughout their school years, not just tuition bills.

Higher Annual Limits Starting in 2026

Beginning January 1, 2026, the annual cap for K-12 withdrawals doubles from $10,000 to $20,000 per student. [2] If you're contributing regularly or considering a larger gift, this increased limit may provide additional flexibility in how much you can direct toward a grandchild's education each year. Keep in mind that not every state has adopted this federal provision, so it's worth checking on the rules where your grandchild attends school before making withdrawals.

Expanded Use for Career and Trade Training

If a grandchild is drawn to a hands-on career rather than a traditional four-year degree, 529 funds can now be used for vocational certifications, such as welding or aviation mechanics, along with related books, equipment, and exam fees. [3] This change reflects the many educational and career paths young people take today and gives you more options for supporting whichever one your grandchild chooses.

These updates may provide grandparents with additional ways to support a grandchild's educational journey, whether that's K-12 education, college, or a trade program. As always, the details of your specific 529 plan and your state's rules matter, so it helps to review your approach with a professional who knows your full financial picture.

To learn more about updates to 529 plans, contact the office to schedule a time to talk.

[1] "How the Big Beautiful Bill Impacts Education Savings: 529 Plans, ABLE Accounts, and Trump Accounts." 18 JUL 2025, Saving for College.com, https://www.savingforcollege.com/article/big-beautiful-bill-education-savings-529-plans.
[2] Ibid.
[3] Ibid.

Turn Your Career into a Second Act of Service

Retirement doesn't mean your professional skills have to sit on the shelf, and organizations across the country are eager for the expertise you've spent a career building. Here are a few ways to put your experience to work:

- **Mentor** someone starting out in the field you spent years mastering, whether through a formal program or an informal coffee chat.
- **Teach** a skill you know well, from a language to a craft to something technical, at a local library, community center, or senior center.
- **Advise** a small business or nonprofit that could use the kind of expertise you once charged for.
- **Organize** a fundraiser, food drive, or community event using the planning skills you've honed over the years.
- **Serve** on a local board or committee where your professional judgment can help shape decisions.
- **Coach** a youth sports team, debate club, or academic program that could use your steady guidance.
- **Write** a how-to guide, blog, or resource for others navigating a career path you know well.

Whatever your background, there's likely a cause or a person out there who could use exactly what you've spent a career learning.