

September 2019

SILVER DOLLAR



General Electric
Credit Union

Helping a Grandchild with College Costs

September is National College Savings month and there are different options you can take advantage of to help save for college if covering the costs of grandchild's education is important to you.

Cash Gifts. A common way to help a grandchild with college costs is to gift cash. This method does have a couple of drawbacks, however. A gift of more than the annual federal gift tax exclusion amount (\$15,000 for individuals; \$30,000 for couples in 2019) might have gift tax and generation-skipping transfer tax consequences. Another drawback is the cash gift to a student will be considered untaxed income and may impact financial aid eligibility. You could give a cash gift to the parent instead of the grandchild, or wait until your grandchild has graduated and give the cash gift to be used to pay off school loans.

Pay Tuition Directly. Under federal law, tuition payments made directly to a college aren't considered taxable gifts. However, payments can only be made for tuition. Room and board, books, fees, etc. don't qualify. Aside from the obvious tax advantage, paying tuition directly to the college ensures your money will be used for the education purpose you intended. You are still able to give your grandchild a separate tax-free gift each year up to the \$15,000 limit. Keep in mind, college may reduce a student's institutional financial aid by the amount of the grandparent's payment. It is best to research how this will affect their eligibility for college-based aid.

529 Plans. These plans can be used for a grandchild's college, graduate, and even elementary school education. Contributions grow tax deferred and withdrawals used for qualified



education expenses are completely tax free. Participation in a 529 plan isn't restricted by income level and lifetime plan contribution limits are high. Grandparents can open a 529 Plan and name the grandchild as the beneficiary or they can contribute to an existing 529 Plan.

Reach out to a financial advisor to ensure you are helping your grandchild with what is best for you and them financially.

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Current Rates as of September 18, 2019

Deposit Rates

IRA Money Market¹

\$100-4,999.9984% / .85% ^{APY}
\$5,000-24,999.99	1.04% / 1.05% ^{APY}
\$25,000+	1.73% / 1.75% ^{APY}

Choice Checking²

Up to \$4,999.9905% / .05% ^{APY}
\$5,000+10% / .10% ^{APY}

Share Certificate Rates³

6-Mo	Min. \$500	1.73% / 1.75% ^{APY}
1-Yr	Min. \$500	1.98% / 2.00% ^{APY}
2-Yr	Min. \$500	2.17% / 2.20% ^{APY}
3-Yr	Min. \$500	2.32% / 2.35% ^{APY}
5-Yr	Min. \$500	2.42% / 2.45% ^{APY}
1-Yr Jumbo	Min. \$100,000	2.03% / 2.05% ^{APY}
2-Yr Jumbo	Min. \$100,000	2.22% / 2.25% ^{APY}

IRA Share and Certificate Rates³

IRA Share	Min. \$5.0010% / .10% ^{APY}
6-Mo	Min. \$500	1.73% / 1.75% ^{APY}
1-Yr	Min. \$500	1.98% / 2.00% ^{APY}
2-Yr	Min. \$500	2.18% / 2.20% ^{APY}
3-Yr	Min. \$500	2.32% / 2.35% ^{APY}
5-Yr	Min. \$500	2.42% / 2.45% ^{APY}
1-Yr Jumbo	Min. \$100,000	2.03% / 2.05% ^{APY}
2-Yr Jumbo	Min. \$100,000	2.23% / 2.25% ^{APY}

General Electric Credit Union membership is required for our products and services; contact us for membership details. APY = Annual Percentage Yield. Rates are subject to change at any time and are accurate as of September 18, 2019. Interest will accrue as of the date funding is received; funding must be received within 30 days of opening the account. Fees may reduce earnings. ¹IRA Money Market Account: There is no minimum balance requirement to open this account. To earn dividends, you must maintain a minimum balance of \$100; no interest is paid on balances below \$99.99. Dividend rates are based on the account balance and account tier. The tiers are as follows: Tier 1 daily balance up to \$99.99, Tier 2: \$100.00 - \$4,999.99; Tier 3: \$5,000 - \$24,999.99; Tier 4: \$25,000 or more. We use the daily balance method to calculate the dividends on your account. Rates earned are based on balances, calculated daily, and compounded to the account quarterly. Subject to Regulation D requirements. ²Choice Checking: You must deposit \$25 to open this account. If your average daily balance is below \$500, you will incur a \$10 monthly maintenance fee. To earn dividends, you must have a balance greater than \$0. Dividend rates are based on the account balance and account tier. The tiers are as follows: Tier 1 daily balance of \$0.01 - \$4,999.99; Tier 2: \$5,000 or more. We use the daily balance method to calculate the dividends on your account. You will receive the accrued dividends if you close your account before dividends are posted. APY will vary due to the account activity and balance. ³Share and IRA Certificates: Early withdrawal penalties may apply. Refer to the Account Disclosures for account information. Contact a Member Service Representative for further information about applicable fees and terms and conditions. For all of our rates, visit: gecreditunion.org/deposit-rates or contact us.

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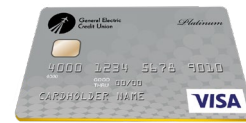
Purchasing Power You Need in Your Wallet

Get the most out of your purchases with our low-rate Platinum credit card!

With the Platinum card, you'll find fewer fees and the option to choose the rewards you'd like. Do you want cash back? Want to travel? Would you like merchandise or gift cards? The choice is yours with our Platinum card. Additionally, our Platinum card offers:

- No annual fee¹

- Earn unlimited points for your purchases²
 - **3x the points** at U.S. supermarkets and wholesale clubs
 - **2x points** at gas stations
 - **1 point** for all other purchases
- Bonus reward points offer²
- Customizable alerts
- Travel accident insurance, and more!



Our Platinum card is the only card you need in your wallet. Open your account today at: gecreditunion.org/apply

You can also stop by a local branch; visit: gecreditunion.org/locations.

Membership is required for use of General Electric Credit Union's (GECU) products and services; visit: gecreditunion.org/membership for details. ¹Credit Card Fees: Regular APR applies; foreign transaction fee is 1.5% of each transaction in U.S. dollars. There is a \$10 or 3% of the amount (whichever is greater) fee to transfer balances from other credit cards to a GECU credit card. ²Rewards!: As a new Platinum cardholder, you have the opportunity to earn 10,000 bonus points upon making \$1,000 in purchases within the first 90 days of account opening. The bonus points will be added to your rewards point balance and will be identified as such on your statement, eStatement, quarterly Rewards statement, or within the GoToMyCard tab in Online Banking or mobile app. For each dollar charged on a qualifying purchase in each billing period on your GECU Platinum card, you'll earn reward points. Qualifying purchases are purchases for goods and services minus returns and other credits. Qualifying purchases do NOT include fees or interest charges, balance transfers, cash advances, or purchases of other cash equivalents. Additional terms and restrictions apply. This rewards program is offered at the discretion of GECU and may be changed at any time with or without notification. Full terms and details of the rewards program will be included with your card and can also be found in our Platinum Card Terms & Conditions at: gecreditunion.org/platinum.



General Electric Credit Union

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September's History Corner

In 1977, the last episode of *The Mary Tyler Moore Show* aired on CBS.

In 1985, Pete Rose, of the Cincinnati Reds, got his career hit 4,192 off Eric Show of the San Diego Padres, eclipsing Ty Cobb's record.

In 1999, the Cincinnati Reds set a National League record with 9 home runs as they beat the Philadelphia Phillies, 22-3.

Join us for an upcoming seminar

October 10th: Understanding Medicaid

Many need Medicaid to cover the costs of long-term care, and qualifying is not an easy task; there are rules to follow and they are constantly changing. We'll help you get prepared and share with you the basics of Medicaid.

November 7th: Estate Planning Basics

An estate plan protects yourself and your loved ones. It allows you to enjoy the benefits of your success today while providing for the people and causes you care about in the future. We'll cover everything you need to know.

Seminars take place at our Reading Road/Evendale Office Auditorium at 10485 Reading Rd., 45241. Space is limited; reserve your spot now! Contact Angela at: **513.243.4328 ext. 264** or by email at: angela.bachmann@gecreditunion.org. You can also register online at: gecreditunion.org/cu-events.