



Pointers For New Parents

Smart Ways To Pay For College

by John Addison

(NAPSA)—It doesn't take a higher degree to understand the value of a college education in today's workforce. But how can families afford a diploma with today's rising tuitions?

By 2020, you'll need an estimated \$225,000 to put your child through a private college and about \$105,000 for state school. Fortunately, there are some smart ways to finance an education. Try these tips:



Start Early

No matter how

Addison old (or young) your child is, start saving to keep up with the cost of tuition, room and board. One of the best ways to make your money work, especially with long-term investments, is to invest in the stock market. You can save much more over the years than with a traditional savings account.

Consider this: Fifty dollars invested in a savings account in 1950 would have grown to an estimated \$284 by 2007. Fifty dollars invested in the stock market in 1950 would have grown to about \$1,952.

Compare Plans

Uncle Sam wants to help you save for college. Many different plans allow you to take advantage of tax-deferred savings while investing in the stock market, including 529s, the state-

sponsored investment accounts; Coverdell Education Savings Accounts, which allow you to contribute up to \$2,000 annually; and prepaid tuition plans, which allow parents to lock in current rates for future tuition.

Don't Neglect Retirement

While saving for your child's education is important, don't neglect saving for your own retirement. Remember, your son or daughter will have other options when paying for college—such as grants and loans—that you won't have when funding your golden years.

Make It Easy

Whether you're saving for college or retirement, the key is steady progress. A terrific way to keep track toward your goal is to set up automatic withdrawals from your checking account into a savings or investment account. You determine the amount you want to withdraw each month, and then your investment happens automatically.

Get Smart

Financial professionals at Primerica have created a guide that shows you how to take control of your financial life. To get a copy of "How Money Works," write to Primerica, 3120 Breckinridge Blvd., Duluth, GA 30099, ATTN: Corporate Relations, or call (770) 564-6329.

For more information, visit www.primerica.com.

• John Addison is co-CEO of Primerica, a subsidiary of Citigroup, Inc.