



## REFUND/CANCELLATION POLICY

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### General Refund Rules

- Only the Account Owner may request a refund. It is the responsibility of the Account Owner to fully understand all other account options in lieu of a refund, prior to requesting a refund. Account Owners have the following account options, in lieu of a refund (*Account Owners often exercise one of these options when it appears that a Student Beneficiary may not plan to use the funds in the GET Account, or if the Account Owner is experiencing a financial hardship*):
  - Students have up to ten years from their benefit use year to begin using their units. They have an additional ten years to finish using their units once the first account withdrawal is made.
  - The funds in the GET account can be transferred to another family member (out to first cousin) of the Student Beneficiary.
  - The GET Account Owner can change the Student Beneficiary named on the GET account to another family member (out to first cousin) of the Student Beneficiary.
  - Custom Monthly Plan Account Owners who are unable to continue making their monthly payments have the option to reduce the terms of their contract or convert their Custom Monthly account to a Lump Sum account. **Note for converting to Lump Sum:** All payments received will be reposted at the unit price in effect at the time that we receive them. Payments made while the program was closed from July 1, 2015 through October 31, 2017 will be posted at \$113 per unit (the unit price in effect on November 1, 2017). This may result in earnings in your account. **WE STRONGLY ADVISE YOU TO CONSULT IRS PUBLICATION 970 AND A TAX ADVISOR ABOUT POTENTIAL TAX AND PENALTY IMPLICATIONS.**
  - The GET Account Owner may request reimbursement for any qualified higher education expenses paid out of pocket in the current calendar year.
- Account refunds may or may not be in the best long-term financial interest of the Account Owner, and it is the Account Owner's responsibility to determine their preferred choice.
- The non-refundable enrollment fee and any previously incurred account fees (e.g. late payment fees and dishonored payment fees) will be deducted from all final refund amounts.
- The earnings portion of any refund may still be subject to federal taxes, penalties and fees, payable to the IRS (typically any increased value is taxed as income, and an additional 10% penalty applies).
- Customers must request a full refund. No partial refunds will be processed.
- To avoid a taxable event, you may deposit (rollover) your refund into another 529 plan within 60 days of the date your refund is processed. To compare various 529 plans, go to [www.collegesavings.org](http://www.collegesavings.org). According to the IRS, 529 plan rollovers can only be made once every 12 months for the same beneficiary. If you wish to complete a direct rollover from GET, where GET sends the money directly to the other 529 plan on your behalf, you must complete the Outgoing Rollover Request form (available at [www.get.wa.gov/forms](http://www.get.wa.gov/forms)) instead of the Refund/Cancellation Request form.

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- **WE STRONGLY ADVISE THAT YOU CONSULT IRS [PUBLICATION 970](#) AND A TAX ADVISOR ABOUT POTENTIAL TAX IMPLICATIONS BEFORE REQUESTING A REFUND. YOU SHOULD ALSO CONSULT YOUR LEGAL AND FINANCIAL ADVISORS BEFORE REQUESTING A REFUND.**
- The Account Owner must submit an original (no copies or faxes) signed and notarized Refund/Cancellation Request form and supporting documentation (if required) to:

**GET Program, PO Box 43450, Olympia, WA 98504-3450**

- Refund checks are made payable to the Account Owner, unless the “Student Beneficiary” is indicated as the person to receive the refund. Making the refund payable to the Student Beneficiary may have different tax implications than making it payable to the Account Owner. **WE STRONGLY ADVISE YOU TO CONSULT [IRS PUBLICATION 970](#) AND A TAX ADVISOR ABOUT POTENTIAL TAX AND PENALTY IMPLICATIONS.**
- On information and belief, the IRS assesses a 10% penalty for withdrawals not transferred to another 529 plan, or not used for qualified higher education expenses (non-qualified withdrawals), with a few exceptions. Additionally, the earnings portion of all refunds may be taxed as income. **WE STRONGLY ADVISE YOU TO CONSULT [IRS PUBLICATION 970](#) AND A TAX ADVISOR ABOUT POTENTIAL TAX AND PENALTY IMPLICATIONS.**
- A 1099-Q each January following the year of distribution to the individual who received the refund. You may be required to report this to the IRS. Please consult a tax advisor before requesting a refund to determine any federal income tax liability.
- If the Program denies a refund request, the Account Owner may submit a letter to the Program Director within 10 days after notification, asking for reconsideration. If the Director denies reconsideration, the Account Owner may submit a letter to the Committee Chair within 10 days after notification, asking for reconsideration. The Committee Chair will conduct a brief adjudicative proceeding on the merits of the request and render a final decision.
- **ACCOUNT OWNERS WITH ANY QUESTIONS ABOUT THE GET REFUND/ CANCELLATION POLICY, OR ABOUT THEIR ACCOUNT OPTIONS IN LIEU OF A REFUND ARE STRONGLY ENCOURAGED TO CALL OR EMAIL THE GET CONTACT CENTER AT 1.800.955.2318 OR AT [GETINFO@WSAC.WA.GOV](mailto:GETINFO@WSAC.WA.GOV) BEFORE REQUESTING A REFUND.**

## REFUND/CANCELLATION SUMMARY

| Type of Refund and Cancellation  | Refund Value  | Program Penalty  | Program Fee   | IRS Tax/Penalty *   | Documentation Required**/Comments  |
|--|---|--|---|---|--|
| <b>Cancellations</b>   |   |  |   |   |  |
| Notification within 3 business days                                    | All contributions returned, including \$50 enrollment fee                           | N/A  | N/A   | N/A   |  |
| <b>Qualified Refunds</b>   |   |  |   |   |  |
| Death or Disability of the Student Beneficiary                         | Current GET unit payout value   | N/A  | N/A   | Earnings portion taxed as ordinary income, no penalty                     | <ul style="list-style-type: none"> <li>Death of the student beneficiary: A copy of the student beneficiary's death certificate.</li> <li>Disability of the student beneficiary: Documentation from a medical professional stating that the student beneficiary's disability prevents the student beneficiary from attending any institution of higher education.</li> </ul>  |
| Scholarship (Includes appointment in a United States military academy) | Current GET unit payout value   | N/A  | N/A   | Earnings portion taxed as ordinary income, no penalty                     | <ul style="list-style-type: none"> <li>Documentation of the scholarship-awarding entity, the scholarship amount and the applicable academic term.</li> <li>Account owner must re-submit request for scholarship refunds for subsequent years.</li> <li>Cannot exceed the scholarship amount or amount of eligible units available for that academic year.</li> <li>Refunds for scholarships must be requested during the academic year in which the scholarships are awarded.</li> </ul> |
| <b>Non-qualified Refunds</b>   |   |  |   |   |  |
| Account cancelled within 6 months                                      | All contributions returned, less \$50 enrollment fee and any other outstanding fees | N/A  | N/A   | Earnings portion taxed as ordinary income and subject to 10% penalty tax. |  |
| Account value less than \$500  | All contributions returned, less \$50 enrollment fee and any other outstanding fees | N/A  | N/A   | Earnings portion taxed as ordinary income and subject to 10% penalty tax. |  |
| Graduation or Program Completion                                       | Current GET unit payout value   | N/A  | N/A   | Earnings portion taxed as ordinary income and subject to 10% penalty tax. | <ul style="list-style-type: none"> <li>Documentation showing the student beneficiary has graduated or completed a degree or certificate program.</li> </ul>  |
| Bankruptcy   | Current GET unit payout value   | N/A  | N/A   | Earnings portion taxed as ordinary income and subject to 10% penalty tax. | <ul style="list-style-type: none"> <li>Letter from bankruptcy trustee with instructions for distribution.</li> <li>Copy of bankruptcy filing documents.</li> <li>Refund check will be payable per court documents.</li> </ul>  |
| Non-attendance (If student doesn't attend college)                     | Current GET unit payout value   | \$100 or 10% of the account earnings, whichever is greater | \$1.70 per month while the account was active and \$10 cancellation fee | Earnings portion taxed as ordinary income and subject to 10% penalty tax. | <ul style="list-style-type: none"> <li>Account owner must complete a new Refund/Cancellation Request form for subsequent years.</li> <li>Up to 150 units per academic year. Cannot exceed the amount of the eligible units available for that year.</li> <li>Refunds will be made no sooner than 90 days after receipt of the request.</li> </ul>  |
| Meets Two-Year Waiting Period Requirement                              | Current GET unit payout value   | \$100 or 10% of the account earnings, whichever is greater | \$1.70 per month while the account was active and \$10 cancellation fee | Earnings portion taxed as ordinary income and subject to 10% penalty tax. | <ul style="list-style-type: none"> <li>Units must be held for a minimum of two calendar years. Any units less than two calendar years will not be refunded until they meet the two-year waiting period requirement.</li> <li>The account owner must complete a new Refund/Cancellation Request form for each refund.</li> </ul>  |
| Financial Hardship   | Current GET unit payout value   | \$100 or 10% of the account earnings, whichever is greater | \$1.70 per month while the account was active and \$10 cancellation fee | Earnings portion taxed as ordinary income and subject to 10% penalty tax. | <ul style="list-style-type: none"> <li>Documentation of financial hardship, such as job loss or reduction, eviction or disconnection of utilities is required.</li> </ul>  |

\*Based on current IRS regulations. Contact a tax advisor for further details.

\*\*You must send a Refund/Cancellation Request form and any other documentation required.