Table: Comparison of the Education Savings Systems in Canada and the United States

	Canada's Education Savings System	**United States' Education Savings System**
Account Structure/Delivery	Since 1972, Registered Education Savings Plans (RESPs), which serve as vehicle for federal and provincial investments	State-administered college savings plans predate congressional authorization for tax benefits (1996, in Section 529 of IRS Code), now in 48 states and the District of Columbia, plus Education IRAs, Coverdells, and some CSA programs
Savings Matches/Incentives	The Canada Education Savings Grant (since 1998)—all Canadians eligible for 20% match on contributions up to $2,500/year and low- and middle-income Canadians eligible (since 2005) for additional matches of 10% (those with family incomes between $43,953-$87,907 in 2014) and 20% (those with family incomes less than $43,953). There is a maximum $1,100 grant per beneficiary per year, with a lifetime maximum of $7,200.	As of 2011, 10 states offered matching grants for low-income 529 savers; many of these programs are capped to a limited number of participants and have fairly low savings limits but match relatively generously as a percentage of household saving (up to 4:1, with many states offering 100% matches to a dollar limit). Additionally, many states provide generous tax incentives in 529s (Newville, Boshara, Clancy, & Sherraden, 2009).
Initial Deposits	Canada Learning Bond provides a $500 initial deposit and $100/year for 15 years for those born on or after January 1, 2004 (including retroactively), for a lifetime maximum of $2,000/child in federal deposits with no deposit required, plus provincial investments, where applicable.	Some states (RI, ME, ND, NV) offer 'early enrollment incentives', some of which do not require family savings. However, most of these require enrollment by the child's first birthday and are relatively small in scale.[1]
Role for Private Financial Institutions	RESPs offered by 'promoters', including group scholarship providers, banks, credit unions, investment services, and insurance companies. There were approximately 80 financial	529s administered by investment firms that contract with the state government to provide account management and oversight, pursuant to U.S. rules regulating investment

[1] At $500, Maine's $500 Alfond Challenge is the largest investment; Rhode Island makes a one-time $100 deposit, while Nevada seeds accounts with $50.

	institutions/dealers offering RESPS in 2014 (CESP, 2014). They receive no direct government compensation for providing accounts and vary considerably in offerings, business models, and success with low-income households.	products; state contracts with 529 providers include different rules regarding required minimum deposits, account fees, investment options, and other features.
Interaction with Other Policy Systems	RESPs not counted against families' eligibility for means-tested benefits except in PSE financial aid. Savers can roll interest income from their RESPs into retirement or disability accounts, but contributions and PSE incentives are restricted to approved educational uses.	529s exempted from most state benefit eligibility determinations but not from federal financial aid decisions. Unspent 529 deposits can be transferred to another beneficiary or withdrawn with penalty, if not used for higher education by the identified beneficiary student.
Layers of Governmental Involvement	RESPs are a federal education savings vehicle that serves as the repository for other federal investments, namely the CESG, A-CESG, and CLB. RESPs are governed by the Canadian Finance Agency, not the Canada Education Savings Program. Provincial investments, some of which are quite substantial, can be funneled into these same accounts. As of 2014, Alberta, Quebec, Saskatchewan, and British Columbia have or have announced savings incentives (see table, below).	U.S. federal government involvement is limited to financial regulations governing 529s, with investments for matches and other incentives coming from state lottery funds or general funds, 529 administrative fees, financial institution contributions, or private philanthropy.
Uptake	In 2013, 47.1% of Canadian children were in households that received the education savings grant (CESG). Just over 29% of eligible Canadian children received the Canada Learning Bond (CESP, 2014).	The General Accounting Office found that, in 2010, fewer than 3% of U.S. households were saving in 529s (GAO, 2012). Participation rates in CSAs that use 529s vary and depend, in part, on the enrollment approach used and the definition of "participation".
Scale	In 2013, $782 million was disbursed in CESG matches, against $3.9 billion in RESP contributions. $101 million was disbursed in the Canada Learning Bond	By 2011, approximately $24.6 million in state funds had been deposited in matching 529 programs (Lassar, Clancy, & McClure, 2011); San

	in 2013.	Francisco's Kindergarten to College savers had earned more than $1 million in philanthropic matches and public initial deposits by 2014 (San Francisco Treasurer's Office, 2014).

Table 2: Canadian Provincial Education Savings Programs

	Benefit	Eligibility	Administration
Alberta Centennial Education Savings Plan Grants	$500 initial deposit and $100 at 3 intervals	Children born in 2005 or later whose parents are Alberta residents at time of birth or application Additional $100 deposits made when child turns 8, 11, and/or 14	Administered by the federal CESP
Saskatchewan	10% additional grant on family contributions	Children residing in Saskatchewan who are eligible RESP beneficiaries	Administered by the federal CESP
Quebec	10% tax benefit on deposits up to $250/year	Low-income households receive an additional $50/year in tax benefit	Administered by the province, separate from the CESP
British Columbia Training and Education Savings Grant	$1200 Training and Education Savings grant into a RESP	Children born on or after January 1, 2007 who are B.C. residents	*Will be administered by federal CESP, when launched in 2015*