

Sec. 3-22h-2. Definitions

As used in sections 3-22h-1 to 3-22h-9, inclusive, of the Regulations of Connecticut State Agencies:

(1) “501(c) (3) Organization” means an organization described in Section 501(c)(3) of the Internal Revenue Code and exempt from taxation under Section 501(a) of the Internal Revenue Code;

(2) “Account” means an account in the Trust, established pursuant to a Participation Agreement between an Account Owner and the Trust, into which Contributions are made for the purpose of meeting the Qualified Higher Education Expenses of a Designated Beneficiary;

(3) “Account Balance” means the fair market value of an Account as of any specified date;

(4) “Account Balance Limit on Contributions” means the maximum amount, as established by the Trustee from time to time, necessary to provide for the Qualified Higher Education Expenses of a Designated Beneficiary. In no event shall the amount be more than the maximum amount permitted for the Trust to qualify as a Qualified Tuition Program;

(5) “Account Owner” means the owner of the Account as provided in the Participation Agreement, or any successor owner;

(6) “Application” means a document that a prospective Account Owner shall complete in order to open an Account in the Trust, which incorporates by reference the terms of the Participation Agreement;

(7) “Contribution” has the same meaning as described in Section 529 of the Internal Revenue Code;

(8) “Designated Beneficiary” has the same meaning as described in Section 529 of the Internal Revenue Code;

(9) “Distribution” has the same meaning as described in Section 529 of the Internal Revenue Code;

(10) “Earnings” has the same meaning as described in Section 529 of the Internal Revenue Code;

(11) “Eligible Educational Institution” has the same meaning as under Section 529 of the Internal Revenue Code;

(12) “Internal Revenue Code” has the same meaning as under the Statute;

(13) “Member of the Family” has the same meaning as under Section 529 of the Internal Revenue Code;

(14) “Non-Qualified Distribution” means a Distribution from an Account other than (A) a Qualified Distribution, or (B) a Rollover Distribution;

(15) “Participation Agreements” has the same meaning as under the Statute;

(16) “Person” means any individual, estate, association, unincorporated organization, trust, partnership, limited liability company, corporation, the State of Connecticut or any department thereof, or any political subdivision of the State of Connecticut;

(17) “Program” means the CHET Direct Plan, the CHET Advisor Plan or any other plan that may be established and maintained by the State of Connecticut constituting the Qualified Tuition Program known as the Connecticut Higher Education Trust;

(18) “Qualified Higher Education Expenses” has the same meaning as under Section

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529 of the Internal Revenue Code;

(19) “Qualified Tuition Program” has the same meaning as under Section 529 of the Internal Revenue Code;

(20) “Qualified Distribution” means a Distribution from an Account used exclusively to pay Qualified Higher Education Expenses of the Designated Beneficiary;

(21) “Rollover Distribution” means a distribution that satisfies the requirements of Section 529 of the Internal Revenue Code;

(22) “Scholarship” has the same meaning as described in Sections 529 and 530 of the Internal Revenue Code;

(23) “Scholarship Account” means an Account in the Trust established by an Account Owner that is a Scholarship Sponsor and maintained for the benefit of one or more current or future Designated Beneficiaries;

(24) “Scholarship Sponsor” means the State of Connecticut or a local government in this State, or an agency or instrumentality of this State or local government, or a Section 501(c)(3) Organization, in each case who establishes one or more Accounts as part of a Scholarship program;

(25) “State” means the State of Connecticut;

(26) “Statute” means sections 3-22f to 3-22p, inclusive, of the Connecticut General Statutes;

(27) “Trust” has the same meaning as under the Statute; and

(28) “Trustee” means the Treasurer of the State of Connecticut in her capacity as Trustee of the Program.

(Adopted effective June 5, 2003; Amended February 2, 2005; Amended September 13, 2016)