

2026 Kansas Investments Developing Scholars (KIDS) Matching Grant Program Description



Introduction

The KIDS Matching Grant Program was created by K.S.A. 75-650 as a part of the Quest529 Education Savings Plan (“Quest529”) administered by Kansas State Treasurer Steven Johnson. The KIDS Matching Grant Program (“the KIDS Program”) is for Kansas residents with household incomes at or below 200% of the federal poverty level. When you (the Quest529 Account Owner) enroll your beneficiary (the student who is the participant) in the KIDS Program, the state will match the first \$600 that you contribute to your Quest529 account during 2026. You must contribute at least \$100 during 2026 to be eligible. The matching grant funds must be used to fund the account beneficiary’s qualified education expenses. The KIDS Program is limited to 1,000 participants (up to 250 from each of Kansas’ four Congressional Districts). **Applications are processed on a first come-first served basis and must be received by the Kansas State Treasurer’s Office no later than December 1, 2026.** All supporting documentation must be submitted with your application, or received within 14 days of your application.

This *Program Description* contains variations to your *Quest529 Plan Description and Participation Agreement* that address how your account will be registered and how withdrawals will be handled. Except to the extent modified by this *Program Description*, the Quest529 Plan Description and Participation Agreement pertains to your KIDS Program Account(s).

Eligibility

To be eligible for a 2026 matching grant, the Quest529 account owner(s) must not be a minor or claimed as the dependent on someone else’s federal income tax return; must reside in the state of Kansas; and must have a total 2025 Federal Adjusted Gross Income for all members of the household that is greater than zero and not more than the amount listed below:

Persons in Family or Household	1	2	3	4	5	6	7	8	For each additional person, add
Income Below	\$31,920	\$43,280	\$54,640	\$66,000	\$77,360	\$88,720	\$100,080	\$111,440	\$11,360

The qualifying income thresholds are subject to change each year; the amounts in the table above are equal to 200% of the applicable federal poverty level for 2026. Your “household” is all persons related by birth, marriage or adoption who share your residence. Anyone who has resided in your household at any point during 2025 is presumed to have resided there for the entire calendar year. If that presumption is incorrect for any member of your household during 2025, you must provide additional documentation showing the dates that person resided in your household and proof of the amount of income they earned during that period. To be eligible for a 2026 matching grant, each Quest529 account owner must apply for the matching grant using the total household income from 2025, regardless if you have been approved in the past. See additional requirements regarding income verification below and on page 2.

Joint Account Owners

If your Quest529 account has joint account owners, each owner must be eligible to receive the matching grant. Joint owners who live in separate households must include household income information for all members of both households, in the “Household Members” section of the application.

Income Verification

To verify your 2025 household federal adjusted gross income, you must provide a copy of the 2025 federal tax return for everyone in your household who is required to file a 2025 federal tax return. If you can't provide a copy of any required tax return, you must provide a tax transcript from the IRS showing federal adjusted gross income for 2025. If anyone in your household had income but did not file a tax return, you must provide a 2025 wage and income transcript from the IRS showing that person's federal adjusted gross income for 2025. For information on obtaining federal tax transcripts, visit www.irs.gov/individuals/get-transcript.

It is your responsibility to provide all required tax returns or transcripts with your application. All supporting documentation must be submitted with your application, or received within 14 days of your application.

Submit your application and supporting documentation to Quest529 via mail at the address listed on page 1 of the *KIDS Program Application*.

Once your application and supporting documentation are processed, you will be notified of approval or denial via mail or email. All approvals are provisional pending final verification of income and the amount of account contributions during calendar-year 2026.

Eligible Contributions

To receive a matching grant, you must contribute a minimum of \$100 to your KIDS Contribution Account during 2026. The KIDS Program will match contributions for approved participants up to \$600 per year. To be applied to the KIDS 2026 program year, your contributions must be completed online by December 31, 2026 (or postmarked by December 31, 2026, and received by January 8, 2027).

Rollovers from other 529 accounts are not eligible for a KIDS matching grant.

Account Setup and Match Processing

To apply for the KIDS Matching Grant account, you'll need to have a Quest529 account. If you don't already have a Quest529 account, you can open one at www.Quest529.com.

Complete and submit a 2026 *KIDS Program Application*. Mail the completed application and supporting documentation to the address listed on page 1 of the application.

The first time you are approved to participate in the KIDS Program, Quest529 will open two KIDS Program accounts for the beneficiary, as sub-accounts to the your existing Quest529 account for that beneficiary. The first KIDS Program account will be registered as your "Contribution Account" and it will hold your match-eligible contributions. The second account will be registered as your "Match Account" and will hold any matching grant funds awarded by the KIDS Program. By default, the Contribution and Match Accounts will be invested in the same manner as your standard Quest529 account; you may change how the KIDS Program accounts are invested but any changes will apply to both KIDS Program accounts. Kansas law may restrict any changes to the owner or beneficiary of a KIDS Program account (see K.A.R. 3-4-5 and K.A.R. 3-4-7).

Once you have contributed the maximum grant-eligible amount of \$600 for 2026, any additional contributions to your Contribution Account will be moved to your standard Quest529 account.

In January, the Kansas State Treasurer's Office will review contributions made during the prior year by account owners who have been provisionally approved, to determine the amount of matching grant funds that applicants are eligible to receive. To receive the matching grant funds, you must contribute a minimum of \$100 per year. Match contributions will be made equal to your contributions up to \$600 per year and will be deposited no later than January 31 of the following year. **If you withdraw any funds from your account at any time during 2026, you will not be eligible to receive a 2026 matching grant** for contributions to any account for the same designated beneficiary.

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Qualified Education Expenses and Withdrawing Funds

To withdraw funds from your KIDS accounts, complete and return a KIDS Program Withdrawal Form, available at Quest529.com. Please note that if you withdraw funds from a KIDS account, you will not be eligible to receive a matching grant for that beneficiary during the same year.

Matching grant funds must be used only for Qualified Education Expenses. However, the Kansas State Treasurer's Office no longer reviews or approves KIDS Program withdrawals in advance.

Any withdrawal of matching funds under the KIDS Program is subject to audit by the Kansas State Treasurer's Office. If an audit determines that the withdrawal is a Non-Qualified Withdrawal, the Kansas State Treasurer is required to notify the Kansas Department of Revenue and other taxing authorities, and you must repay the matching portion of the withdrawal to the State of Kansas. Non-Qualified Withdrawals are also subject to federal and state taxes and potential tax penalties.

Do not send receipts or other documents with your withdrawal form. However, in the event of an audit by the Kansas State Treasurer's Office, the Internal Revenue Service, or other agency, you may be required to produce records regarding the use of any funds withdrawn from your KIDS Program accounts and any standard Quest529 account. **You should keep all records required to demonstrate the use of withdrawals for Qualified Education Expenses.**

Rollovers and Tax Issues

In addition to the repayment obligation noted above, withdrawals that are not for Qualified Education Expenses (including rollovers) may be subject to federal and state income taxation, and possible additional federal tax penalties.

It is the Program Administrator's belief that the state's contribution to your Match Account will not be treated as income to you at the time of the contribution, due to restrictions we have placed on the Match Account. Quest529 will treat the balance in your Match Account as earnings when reporting your contributions and earnings on *IRS Form 1099Q* when a withdrawal is made from any account for the same designated beneficiary. This means that if you make a Non-Qualified Withdrawal from any account for the same designated beneficiary, the amount of the matching grant and any earnings in the Match Account will be used to determine the earnings portion of the withdrawal that is subject to state and federal taxation and tax penalties. Quest529 has not received a confirmation of this understanding from the Internal Revenue Service or other taxing authorities. You are encouraged to consult a tax advisor about the taxability of the matching grant.

Additional Information

If you have questions about Qualified Education Expenses, Non-Qualified Withdrawals, and potential tax impacts, please refer to the Quest529 Plan Description and Participation Agreement and IRS Publication 970 ("Tax Benefits for Education"), and consult with an independent tax or legal advisor.

Additional Requirements and Contact Information

Other requirements continue to apply to the Quest529 and KIDS Program pursuant to various state and federal statutes, regulations, and rules. For example, see K.S.A. §§ 75-640 through -649 (Kansas postsecondary education program statutes); K.S.A. § 75-650 (KIDS Program Statutes); K.A.R. 3-4-1 through -7 (KIDS Program Regulations); and 26 U.S.C. § 529 (federal statute governing qualified tuition plans).

If you have questions about the KIDS Program, you can contact the Kansas State Treasurer's Office at 1-866-504-5898 or by email at Quest529@treasurer.ks.gov or contact Quest529 at 1-800-579-2203.

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2026 Kansas Investments Developing Scholars (KIDS) Program Application



Use this application to apply for the State of Kansas' KIDS Matching Grant Program.

- Complete and mail, with this form, a *Quest529 Education Savings Plan (Quest529) Account Application* for EACH beneficiary listed in Step 1 who doesn't already have a Quest529 account.
- Make sure to list ALL members of your household related by marriage, birth, or adoption in Step 3, including children, even if their income is \$0.
- **Your complete KIDS Program Application must be received by December 1, 2026.** All supporting documents (such as tax returns or transcripts) must be submitted with your application, or received within 14 days of your application; see the Program Description for information on submitting supporting documents. To be applied to the KIDS 2026 program year, **your contributions must be completed online by December 31, 2026** (or postmarked by December 31, 2026, and received by January 8, 2027). Contributions may be made online by logging into your Quest529 account at Quest529.com.
- If you have questions, please contact the Kansas State Treasurer's Office at 1-866-504-5898 or by email at Quest529@treasurer.ks.gov, or call Quest529 at 1-800-579-2203.
- Print clearly, preferably in capital letters and black ink. Mail the application to the address below. Do not staple.

Return this form and any other required documents to: Quest529 Education Savings Plan P.O. Box 29202 Shawnee Mission, KS 66201-9202	For overnight delivery or registered mail, send to: Quest529 Education Savings Plan 1001 E 101st Terrace, Suite 200 Kansas City, MO 64131
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1 Participant (Beneficiary) Information

List the beneficiary(s) whose education expenses will be paid from the account(s). You may list more than one beneficiary if their accounts are owned by the same Account Owner(s). Include the Quest529 Account number for each beneficiary who already has a Quest529 Account. Once approved for a match, we will move any eligible current year contributions to your new KIDS Contribution Account(s). We will also move your recurring contributions or Payroll Deduction, if applicable, to the new account.

Mr./Mrs./Ms.	Beneficiary's first name	Middle initial	Beneficiary's last name
Current Quest 529 Account number			
Mr./Mrs./Ms.	Beneficiary's first name	Middle initial	Beneficiary's last name
Current Quest 529 Account number			
Mr./Mrs./Ms.	Beneficiary's first name	Middle initial	Beneficiary's last name
Current Quest 529 Account number			
Mr./Mrs./Ms.	Beneficiary's first name	Middle initial	Beneficiary's last name
Current Quest 529 Account number			
Mr./Mrs./Ms.	Beneficiary's first name	Middle initial	Beneficiary's last name
Current Quest 529 Account number			

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3 Household Members

Please list below all individuals, including children, related by marriage, birth, or adoption living in the Account Owner's household, along with each person's Federal Adjusted Gross Income from their 2025 income tax return (including if it was zero). Add additional lines if needed.

If you are providing Federal Adjusted Gross Income from a joint tax return, please enter the full income amount next to the taxpayer's name and enter \$0 for the other taxpayer.

If the joint Account Owner resides in a household different than the Account Owner, please provide a separate sheet with the Federal Adjusted Gross Income for members of the Joint Account Owner's household.

All Account Owners and household members, including children, must be listed below.

_____	\$ _____
Account Owner's name	Adjusted gross income

_____	\$ _____
Household member's name	Adjusted gross income
<i>(If this member is a joint taxpayer with the Account Owner, please enter the joint taxpayer's name, and \$0. The full income amount should be provided above.)</i>	

_____	\$ _____
Household member's name	Adjusted gross income

_____	\$ _____
Household member's name	Adjusted gross income

_____	\$ _____
Household member's name	Adjusted gross income

_____	\$ _____
Household member's name	Adjusted gross income

Total	\$ _____
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4 Account Owner Signature(s)

Each Account Owner must sign the *KIDS Program Application*.

By signing this application, I certify that all of the information on this application, and as may be otherwise provided in connection with this application, is accurate, and that I have read and understood the 2026 KIDS Matching Grant Program Description.

Account Owner's signature

Date

Joint Account Owner's signature

Date