



## **Haas Office of Financial Aid**

**January 30, 2009**

### **Tax Benefits for Higher Education**

It's January, and that means that tax filing season has begun. The Haas School's Office of Financial Aid wanted to remind you that there a number of federal education-related tax benefits.

UC Berkeley will be mailing out your 1098-T (the Tuition Payments Statement) on January 31<sup>st</sup>. The 1098-T information is also be available online at <http://www.1098-T.com>. The 1098-T reflects any qualified tuition and/or fees paid during the calendar year 2008--whether the payment was made by cash, loans payments, or other financial aid payments. Fees such as the health insurance and class pass do not appear on the 1098-T as these are not defined as qualified education expenses for tax reporting purposes. Please note that financial aid payments for Spring 2009 were not officially made until after January 1<sup>st</sup>, 2009, and will therefore appear on the 1098-T for 2009.

UC Berkeley has contracted the services of a vendor, Tax Credit Reporting Service (TCRS), a division of Affiliated Computer Systems (ACS), to provide 1098-T and 1098-T Supplemental Forms to UC Berkeley students. The 1098-T Form lists the student's social security number or Taxpayer Identification Number (TIN), name, address, and enrollment status regarding whether or not the student was enrolled at least half-time and whether or not the student was enrolled exclusively as a graduate student. The 1098-T Supplemental Form will list all qualified educational expenses paid, gift aid, and fee reductions.

If you have any questions regarding the information listed on your 1098-T, you should contact Tax Credit Reporting Service (TCRS) at their toll-free number, (877) 467-3821. They are available Monday through Friday except holidays, from 1pm to 11pm (Pacific Standard Time) to answer your questions about the 1098-T form.

UC Berkeley's Billing & Payment Services has also created a section on their website with information about the Tax Payer Relief Act as well as the Form 1098-T, including a detailed "frequently asked questions" section. The address for the Tax Payer Relief page of their site is: <http://billing.berkeley.edu/StudentServices/taxpayer.htm>

#### *International Students:*

The University does not automatically generate 1098-T forms for international students. If you need a 1098-T for your tax purposes, please contact Tax Credit Reporting Service (TCRS) and let them know that you are an international student and need a 1098-T form generated.

## Federal Tax Filing update:

Information on the various education related tax benefits can be found in Publication 970 on the IRS' website. The pdf version of Publication 970 can be accessed at:

<http://www.irs.gov/pub/irs-pdf/p970.pdf>.

- Due to the Alternative Minimum Tax (AMT) 'patch', if you are planning to claim an education credit (Hope or Lifetime Learning) rather than the Tuition & Fees deduction, you will need to wait until February 11, 2009 to complete your return.
- Many students have asked about deducting their expenses related to the MBA. Our office is unable to give tax advice, however we can point you to available resources for information about tax filing. IRS Publication 970 has information about deducting your tuition/expenses beginning on page 64, under the "Business Deduction for Work-Related Education." Additionally, there are many articles available on the web regarding this issue. Before making any decisions, however, we recommend discussing your options with a tax advisor.

The Haas School's Office of Financial Aid is happy to provide you with the following resources to assist you in navigating the various education-tax benefits:

- [UC Berkeley's Billing & Payment Services' Tax Payer Relief Act Information](#)
- [Internal Revenue Service \(IRS\)](#)
- [IRS Publication 970: Tax Benefits for Education](#)
- [NASFAA's Tax Benefits Guide for Parents and Students](#)

Sincerely,

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