

# 1098-T Tax Form FAQ

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## Print 1098-T forms from your Thesis account!

### **What is the 1098-T form?**

The 1098-T form is used by eligible educational institutions to report information to the IRS as required by the Taxpayer Relief Act of 1997. The form is for informational purposes only. **The information is provided to assist Students/Taxpayers in preparing the IRS FORM 8863, which is used to claim the American Opportunity or Lifetime Learning Credits.** There is no IRS requirement that you must claim the tuition deduction or an education credit. While it is a good starting point, the 1098-T, as designed and regulated by the IRS, does not contain all of the information needed to claim a tax credit. To determine the amount of qualified tuition and fees paid, and the amount of scholarships and grants received, a taxpayer should use their own financial records.

### **Why is Box 1 blank?**

The IRS instructs institutions to report either payments received (Box 1) or amounts billed for qualified tuition and related expenses (Box 2). BSC's college software supports the reporting of amounts billed for qualified tuition and related expenses (Box 2) option, therefore, Box 1 – Payments Received for Qualified Tuition and Related expenses is blank. In box 2, BSC reports amounts **billed within the calendar year** for qualified tuition and fees, not amounts paid.

### **I graduated in May 2013, why is my spring 2013 tuition not listed on my 1098-T form?**

Spring 2013 tuition & fees were charged in November 2012, and were reported on your 2012 1098-T form. Please refer to last year's 1098-T; see box 2 and box 7. **Most 2013 graduates will only have a \$200 Graduation Fee listed in Box 2.**

### **I received VA benefits under the Post 9/11 GI Bill. How are those benefits reported?**

Per IRS Publication 970, payments you received for education, training, or subsistence under any law administered by the Department of Veterans Affairs (VA) are tax free. However, for U.S. tax reporting purposes, GI Bill recipients are issued a 1098-T form reflecting all sources of assistance (including GI Bill). The amounts of GI Bill benefits designated for tuition and fees do not count as qualified payments against federal education tax credits.

### **Where can I get help?**

Questions should be directed to the IRS or to your tax professional. **BSC representatives cannot offer legal or tax advice.** Information concerning the tax benefits for education is available in IRS **Publication 970 and may be downloaded at <http://www.irs.gov/pub/irs-pdf/p970.pdf>.**

For more information, please visit the US Government's IRS Web site at: Tax Information for Students or call (800) TAX-1040 or (800) TAX-FORM.

### **Additional Resources**

- ☐ Form 8863 Instructions for Education Credits: [irs.gov/pub/irs-pdf/i8863.pdf](http://irs.gov/pub/irs-pdf/i8863.pdf)
- ☐ Form 1040 Instructions: [irs.gov/pub/irs-pdf/i1040.pdf](http://irs.gov/pub/irs-pdf/i1040.pdf)
- ☐ IRS Information on American Opportunity Credit: [irs.gov/publications/p970/ch02.html#en\\_US\\_publiclink1000204381](http://irs.gov/publications/p970/ch02.html#en_US_publiclink1000204381)
- ☐ IRS Information on Hope Credit: [irs.gov/publications/p970/ch03.html](http://irs.gov/publications/p970/ch03.html)
- ☐ IRS Information at Lifetime Learning Credit: [at irs.gov/publications/p970/ch04.html](http://irs.gov/publications/p970/ch04.html)