

# 1098-T INFORMATION GUIDE & FREQUENTLY ASKED QUESTIONS

## BACKGROUND

The University of Wyoming is required by the Internal Revenue Service (IRS) to file an annual Tuition Statement (Form 1098-T) for each student who is a US citizen or permanent resident pursuing a degree, and for whom a reportable financial transaction is made during the calendar year. This is pursuant to the 1997 Taxpayer Relief Act.

## PURPOSE OF THE 1098-T

Unlike the W-2, which is an income statement, the 1098-T is a Tuition Statement. Its main purpose is to be used to figure out if you qualify for educational tax credits. It is not intended to reflect a statement of taxable income. It is not required to be filed with your tax return forms. The 1098-T reports on all financial transactions occurred during a calendar year, not academic year.

**Educational tax credits are defined as all Qualified Tuition and Related Expenses (QTRE) and they include:**

- Tuition (course fees, lab and music rental fees and course materials)
- Documents Fee
- Student Activities Fees

Note: Housing and other non-tuition charges on your student account are not considered QTRE.

## ELIGIBILITY - CLAIMING EDUCATION TAX CREDITS

The 1098-T form is provided to help students and parents determine eligibility for an American Opportunity Tax Credit or a Lifetime Learning Credit, and it should not be used to calculate taxable income.

- Please refer to IRS Publication 970, for further information on eligibility (<https://www.irs.gov/pub/irs-pdf/p970.pdf>)
- Please refer to IRS Publication 970, Chapter 1 for further information on scholarships, fellowship grants, grants and tuition reductions (<https://www.irs.gov/pub/irs-pdf/p970.pdf>)
- Please also refer to IRS Form 8863 for calculating the education tax credits that a taxpayer may claim as part of your tax return.

VOID  CORRECTED

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number		1 Payments received for qualified tuition and related expenses \$	OMB No. 1545-1574 <b>2021</b> Form 1098-T	<b>Tuition Statement</b>
FILER'S employer identification no.	STUDENT'S TIN <input type="checkbox"/>	2		
STUDENT'S name	3	4 Adjustments made for a prior year \$	5 Scholarships or grants \$	<b>Copy A</b> For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2021 General Instructions for Certain Information Returns.
Street address (including apt. no.)	6 Adjustments to scholarships or grants for a prior year \$	7 Checked if the amount in box 1 includes amounts for an academic period beginning January–March 2022 <input type="checkbox"/>		
City or town, state or province, country, and ZIP or foreign postal code	8 Checked if at least half-time student <input type="checkbox"/>	9 Checked if a graduate student <input type="checkbox"/>	10 Ins. contract reimb./refund \$	
Service Provider/Acct. No. (see instr.)				

Form 1098-T Cat. No. 25087J www.irs.gov/Form1098T Department of the Treasury - Internal Revenue Service  
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## INTERPRETING THE FIGURES IN THE 1098-T

### Box 1: Payments Received for QRTE

- Reports on amounts paid to the university from all sources (includes ePayments).
- Does not include non-tuition related expenses such as housing, meal plan, health insurance and other fees.

### Box 4: Adjustments Made for a Prior Year

- Reports all reductions in payment made for QRTE made during the calendar year that relate to amounts paid that were reported for any prior year.

### Box 5: Scholarships or Grants

- All scholarships, fellowships and grants provided to you in a given calendar year. Payment sources may include:
  - Third parties
  - University or Departmental grants and fellowships
  - Governmental and private entities (Department of Veterans Affairs, the Department of Defense (DOD), civic and religious organizations)
  - Any scholarships or grants received
  - Note that it does not include your payments

### Box 6: Adjustments to Scholarships or Grants for a Prior Year

- Reports on amount or any reduction to the amount of scholarships or grants that were reported during any prior year.
- May show adjustments made by Academic Departments or the Financial Aid Office to update or change funding sources for fellowships or grants. This update removes the aid, in the eyes of the IRS, from a prior year.
- Even though the aid covered a prior year's charges, since it was altered in this calendar year you will see the numbers also included in Box 5.
- Please consult with a professional tax consultant about the amounts reported on this Box.

## **FREQUENTLY ASKED QUESTIONS**

### **Q: What is the IRS Form 1098-T?**

A: The Form 1098-T is a statement that colleges and universities are required to issue to certain students. It provides the total dollar amount paid by the student for what is referred to as Qualified Tuition and Related Expenses (or “QTRE”) in a single tax year.

### **Q: What is considered Qualified Tuition and Related Expenses (QTRE)?**

A: Eligible charges include tuition and fees required to enroll at or attend an eligible educational institution, and course-related expenses, such as fees, books, supplies, and equipment that are required for the courses at the eligible educational institution. These items must be required of all students in your course of instruction. For more information please see IRS Publication 970, Tax Benefits for Education at <https://www.irs.gov/pub/irs-pdf/p970.pdf>.

### **Q: What is not considered Qualified Tuition and Related Expenses (QTRE)?**

A: Non-qualified expenses include charges and fees for room and board, insurance, medical expenses (including student health fees), transportation, travel, research, clerical help, equipment and any other expenses (such as personal, living, or family expenses) not listed under the definition of qualified educational expenses in Publication 970. For more information please see IRS Publication 970, Tax Benefits for Education at <https://www.irs.gov/pub/irs-pdf/p970.pdf>.

### **Q: When will I receive my Form 1098-T?**

A: Your Form 1098-T will be available to you electronically on or before January 31 (or the next business day) through [WyoWeb](#). Go to WyoRecords > Student Account > Student Financial Portal > My Account > Statements > 1098-T Statements Section

### **Q: Why did I not receive my 1098-T form in the mail?**

Starting on January 1, 2017, the University no longer mails out hard copies of the 1098-T tax forms. **All students consent to receive their 1098-T electronically** per the [Student Financial Responsibility Agreement](#).

You may withdraw this consent and have a hard copy mailed to you by filling out an [Electronic Consent Withdrawal for 1098-T Tax Form](#) and returning it in person to Accounts Receivable in Knight Hall room 172 or by email to [sfs@uwyo.edu](mailto:sfs@uwyo.edu) .

**Q: Why don't the numbers on Form 1098-T equal the amounts I paid to UW during the year?**

A: There are potentially many reasons for this discrepancy. First, the amount in Box 1 only represents amounts paid for *qualified tuition and related expenses* (QTRE) and does not include payments made for room and board, insurance, health service fees, or parking which, though important, are not considered mandatory education expenses for tax purposes or QTRE. Secondly, Form 1098-T reports amounts that the student paid in a certain year, and the pay date does not necessarily correspond to the dates that the classes were attended. The best and most accurate source of information about the amounts that you paid for qualified tuition and related expenses will be your Fee Bills.

**Q: Does the 1098-T include charges for books?**

A: No, the University does not include amounts paid for books in Box 1 of Form 1098-T. You should consult with your tax advisor to determine if payments for books, equipment or fees should be considered when preparing your income tax returns and determining eligibility for education tax credits or deductions.

**Q: How do I prepare my tax returns without a Form 1098-T?**

A: Form 1098-T reports payments received from the student for Qualified Tuition and Related Expenses (QTRE) in Box 1 during the preceding calendar year. However, if the student receives scholarships, grants and/or fellowships in the preceding year in excess of the amounts they paid in QTRE, the University is not required to issue a Form 1098-T to the student. When determining your eligibility for education related tax credits and deductions, you will need to report the amount you paid for qualified education and related expenses. Therefore, your **Term Fee Bills** will be the best and most accurate source of information for amounts paid for qualified education and related expenses. This is true regardless of whether you receive a Form 1098-T or not.

**Q: My accountant says that the University must provide me with a form 1098-T.**

A: The University is **not** required, by the IRS, to furnish a Form 1098-T in the following instances:

- Payments for courses for which no academic credit is offered, even if the student is otherwise enrolled in a degree program.
- Enrolled student is a nonresident alien, unless requested by the student.
- Students whose qualified tuition and related expenses are entirely waived or paid entirely with grants/scholarships.
- Students for whom you do not maintain a separate financial account and whose qualified tuition and related expenses are covered by a formal billing arrangement between an institution and the student's employer or a governmental entity, such as the Department of Veterans Affairs or the Department of Defense.

**Q: Why isn't Box 2 filled out on my Form 1098-T when it has been in prior year?**

A: In previous years, Form 1098-T included a dollar amount in Box 2 that represented the qualified tuition and related expenses (QTRE) the University *billed* to your student account for the calendar (tax) year. Due to a change to institutional reporting requirements under federal law, beginning with tax year 2018, the University must report in Box 1 the amount of QTRE you *paid* during the year.

**Q: I can't get access to my Form 1098-T because I am no longer a student.**

A: As a UW alumni, you will always have access to WyoRecords. If you are having trouble logging in, please contact Information Technology to reset your password. They can be reached at 307-766-HELP or <http://www.uwyo.edu/infotech/>.

**Q: Why is graduate student checked in Box 9 if I am not a graduate student?**

A: This box is checked if the student was a graduate student in at least one semester during the calendar year being reported.

**Q: The Social Security Number (SSN) on my form is missing or incorrect. What should I do?**

A: Reporting to the IRS depends primarily on your SSN, so it is very important for you to have the correct information on file with UW. Please contact the Office of the Registrar at 307-766-5272 for assistance in correcting your SSN in your University records. Please contact the Tax Office at [tax@uwyo.edu](mailto:tax@uwyo.edu) or 307-766-2821 to have a corrected 1098-T reissued.

**Q: What are the American Opportunity Credit, the Lifetime Learning Credit, and the Tuition and Fees Deduction?**

A: There are various education related tax benefits. For more information, please go to the Internal Revenue Service (IRS) website at <https://www.irs.gov/credits-deductions/individuals/education-credits-aotc-llc> or Publication 970 at <https://www.irs.gov/pub/irs-pdf/p970.pdf>.

**Q: I still have questions – who can I contact?**

A: Any further questions can be directed to the Tax Office at [tax@uwyo.edu](mailto:tax@uwyo.edu) or 307-766-2821 or to the Student Financial Services office at [sfs@uwyo.edu](mailto:sfs@uwyo.edu) or 307-766-6233.

Further information is also available at <https://www.irs.gov/>.

**Q: I don't understand what I'm supposed to do with this Form 1098-T. HELP!**

A: We are unable to provide tax advice. For guidance you may want to consider <https://www.irs.gov/pub/irs-pdf/p970.pdf> in addition to consulting a tax professional.