

FAQs about IRS Form 1098-T

What is it?

The IRS Form 1098-T is a statement of qualified tuition and fees charged by St. Francis University. Qualified tuition and fees include tuition charges as well as mandatory course fees such as lab fees, technology fees, and general fees. Room, board, and health insurance fees are not included in qualified tuition and fees as determined by IRS.

Why are we sending it to you?

IRS regulations require that all eligible institutions assessing qualified charges provide a 1098-T form to each student enrolled in a particular tax year. We must also file the same information with the IRS for each of these students.

NOTE: The reporting of tuition, fees, scholarships, grants and adjustments do not determine the tax benefit or taxability of these amounts being reported; it is the student's responsibility to determine the taxability of scholarships and grants or the tax credits available.

If I receive Form 1098-T, does it mean I qualify for the American Opportunity Credit, the Lifetime Learning Credit or the Tuition and Fees Deduction?

Not necessarily. The University is required to provide Form 1098-T to individuals who were billed for qualified tuition and fees during the year. Please consult with a qualified tax preparer or CPA to make an individual determination.

Why is Box 1 blank?

Universities are required to elect to report qualified tuition and fees based on one of two methods, either Payments Received - Box 1 or Amounts Billed - Box 2. The method must be used for all 1098-Ts issued. The University reports amounts based on Amounts Billed - Box 2. Having made that election, we are not able to report in Box 1.

What is included in Box 2?

Box 2 includes all tuition and mandatory fees that were billed in the 2017 calendar year. If you registered during the regular spring registration week in November, your Spring 2017 charges would most likely have been on your 2016 form. If you registered for the Spring 2018 term before December 31, 2017 they will be included on your 2017 form. You will know that this is the case if Box 7 is checked. However, the education credit is based on when you made payments. You can determine your payments for tuition and fees by looking at your Account Activity and your personal financial records.

On my 1098-T, the amount in Box 5 is greater than the amount in Box 2, but I know I paid out of pocket for certain expenses during the year. What is wrong?

One reason Box 5 may be greater than Box 2 (even though you may have paid certain costs out of pocket) could be that per IRS regulations, only qualified educational expenses are included in Box 2. Room, board, parking decals and certain other charges are not qualified expenses and are not reported on the 1098-T.