



OFFICE OF ADMINISTRATIVE SERVICES

IN THIS ISSUE

# 1098T's

## Things to Know

### Most FAQ for 1098Ts

#### What is the 1098-T Form?

The 1098-T form, also referred to as the "Tuition Payment Statement", is mailed to the student to assist you, the taxpayer, in determining if you are eligible to claim tax credits such as the Hope Scholarship Tax Credit or the Lifetime Learning Tax Credit for educational expenses.

#### When will I receive my 1098-T Form?

For those students that are eligible for a 1098T, your Form 1098-T will be available to you electronically on or before January 31<sup>st</sup>. If you do not download your 1098T electronically, it will be mailed to you.

To access your 1098T electronically, please go to <https://heartland.ecsi.net/>. If you have not created a login, you will need to follow the directions on the screen to create a login.

If you already have a login, you can login to the student portal and download your Form 1098-T from there.

#### Why didn't I get a 1098-T?

You did not meet the eligibility requirements for receiving a 1098T. 1098-Ts are **NOT** provided to students in the following instances:

Payments for courses which offered no academic credit

Nonresident alien students unless requested

Students whose qualified tuition and related expenses are entirely waived or paid entirely with grants/scholarships

Students who are covered by a billing agreement with their employer or a government entity

#### Does the 1098-T include charges for books?

No, the college does not include amounts paid for books in Box 2 of Form 1098-T since we do not required students to purchase their books from the college.

### TUITION STATEMENT 1098-T FORM

#### Important 1098T Changes

Due to a change to institutional reporting requirements under federal law, beginning with tax year 2018, colleges must report in Box 1 the amount of QTRE you paid during the year.



#### All other questions you may have...

Sure, I have heard that there have been changes to the 1098T, but how does that affect me and my tax return?

## Important 1098T Changes

In January of each year, the college prepares IRS form 1098-T for eligible students reflecting amounts associated with tuition and financial aid for the prior calendar year as outlined in the IRS regulations.

In previous years, the 1098-T sent to the student provided a figure in Box 2 of the form that represented the qualified tuition and related expenses (QTRE) that were BILLED to the student's account for the calendar (tax) year. Due to a change to institutional reporting requirements mandated by federal law, beginning with tax year 2018, the amount of QTRE PAID during the calendar year will be reported in Box 1.

Please note that all payments received by December 31, will be posted to your student account. Payments that are made online to your student account in BannerWeb will post on the date the payment is made. Payments received

after December 31, will be reported on the following tax year's 1098-T form.

For more information about Form 1098-T, visit <https://www.irs.gov/pub/irs-pdf/i1098et.pdf>

This publication gives you exceptions for those that do not get a 1098T AND information on what can and cannot be included in QTRE, Payments Received and Grants/Scholarships.



### VERY IMPORTANT INFORMATION!!!

Please keep in mind that not all payments will be reported on the 1098-T.

Only payments that are paid for QTRE in the correct calendar year will be reported in Box 1.



## All other questions you may have...

On pages one and two, we provided you with the MOST frequently asked questions and a detail explanation on what has changed for the 1098-Ts. But we also know that you may have other questions that have not been answered on the first 2 pages.

So this next section will list all the other questions (and hopefully answers) that you will have. And of course, if you do not see your question here, then please contact your colleges Business Office during their regular hours and they will be able to help.

Please keep in mind that our college cannot provide tax advice, and may suggest that you contact a qualified tax professional for any tax related questions.

## Why don't the numbers on Form 1098-T equal the amounts I paid to the college during the year?

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, books or parking which, though important, are not considered mandatory education expenses for tax purposes.

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. For example, tuition for the Spring semester is typically billed in November so a student may have paid tuition for the Spring semester in 2021 despite the fact that classes didn't start until 2022.

The best and most accurate source of information about the amounts that you paid for qualified tuition and related expenses will be your Student Account Detail.

## Will CARES grant funding be included on the 1098T?

The IRS has changed the guidance on emergency grant aid for the 2022 tax year. We are now required to report payments from emergency grants in Box 1 on your 1098T. However, emergency grants will not be reported in Box 5. IRS

guidance reiterates that emergency grants are not taxable to the student. Therefore, you will see emergency grants in Box 1 Payments Received, but they will not be in Box 5 Grants and Scholarships. This also includes the Higher Education Emergency Relief Fund (HEERF).

For more information, please visit the IRS site :  
<https://www.irs.gov/newsroom/higher-education-emergency-grants-frequently-asked-questions>

## My accountant says that the College must provide me with a form 1098-T.

The college 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.

## My tax form does not display my social security number. How can I get this fixed?

The 1098-T form will only display the last four digits of your social security number (SSN) or Individual Taxpayer Identification Number (ITIN). If the form is missing the last 4 digits of your SSN or ITIN, please contact the Business Office and ask for a W9-S form. You will need to complete and submit it to the Business Office.

## How do I prepare my tax returns without a Form 1098-T?

Form 1098-T reports payments received from the student for qualified tuition and related expenses (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 college 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 **Student Account Detail** 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.

### FOR MORE INFORMATION

Contact your college Business Office