

1098-T Information for 2017 & Earlier

In accordance with federal guidelines, Baylor reports on Form 1098-T qualified tuition/fees and scholarships/grants posted to student accounts during the calendar year. **The calendar year the transactions are posted to the student account dictates the year they appear on the form.**

- The Form 1098-T is designed by the IRS to help students and families determine eligibility for any of several tax benefits for higher education.
- Historical records of **amounts paid** to student accounts are available through Baylor's E-Bill System, baylor.edu/ebill. After logging in, at the top click *Payments*, then *Payment History*. You may then select the date range and the types of payments you would like to appear in your customized report.

*The information provided on this site is not intended as legal or tax advice. Individuals should refer to the most recent **IRS Publication 970, Tax Benefits for Higher Education**, consult with a qualified tax professional, and/or contact the IRS Taxpayer Assistance line at 1-800-829-1040 with regards to any credit or deduction claimed on a personal tax return.*

Frequently Asked Questions about the Form 1098-T

Q1: This form shows amounts billed during 2017, but to calculate my deduction/credit, I need to know what amounts were *paid* on my account during the year. *How can I get this information?*

A1: You may customize a report of payments made to a student's account online at baylor.edu/ebill, click *Payments*, then *Payment History*. Along with your personal financial records, this report will help you identify payments made during the year.

Q2: Why are my tuition and fees reported in Box 2 instead of Box 1?

A2: The IRS gives institutions the option to report payments received (Box 1), or amounts billed (Box 2) for qualified tuition and related expenses during the calendar year. Baylor, like most of the nation's other major universities, reports amounts billed in Box 2. The calendar year in which the charges are posted to the student account determines the year in which they are reported on the 1098-T.

Q3: Why is the General Student Fee reported on my 1098-T less than the fee charged to my student account?

A3: All students are charged a General Student Fee, which helps cover the costs associated with a variety of benefits provided to students, including technology, libraries, facilities, and athletic events. Baylor has determined that 85% of the General Student Fee is reportable on the 1098-T as a qualified education expense.

Q4: Why does my 2017 1098-T include scholarships for the spring 2017 semester, but no tuition and fees for the same semester?

A4: The amounts reported on your 1098-T are based on the calendar year in which they are posted to the student account, and as a result, there can be some timing differences that do not necessarily have tax consequences. While your December 2016 E-Bill may have showed your spring 2017 scholarships as Anticipated Aid, most of these amounts did not pay to the student account until January 2017. Baylor posts financial aid to the student account 10 days before the start of class in accordance with federal regulations. Last year, that date fell in January 2017. Most spring 2018 scholarships paid to the student account in December 2017.

Q5: 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?*

A5: 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. Box 5 could also be greater than Box 2 because of timing differences that do not necessarily have tax consequences (see Q4).

Q6: My situation is the same as above in Q5. Am I going to owe tax?

A6: According to IRS Publication 970, a scholarship is tax free if "you are a candidate for a degree at an eligible educational institution, and you use the scholarship or fellowship to pay qualified education expenses." The IRS considers qualified expenses to be tuition, required fees, and required course-related books or supplies. If you think that some of your scholarship(s) might be subject to tax, please consult a tax professional.

Q7: What is Baylor's EIN?

A7: Baylor's EIN (Employer Identification Number) is reflected on your 1098-T as the "FILER'S federal identification number."

Q8: I attended Baylor in the spring of 2017, but I did not receive a 2017 Form 1098-T. Why not?

A8: The charges reported on Form 1098-T are those posted to the student account during the calendar year. For the majority of students, Spring 2017 charges were posted in November or December 2016. The spring financial settlement due date was December 20, 2016. Remember to refer to the instructions for the form you are using to take a deduction or credit. You may be eligible to take a deduction or credit based on when you **paid** qualified educational expenses.