

1098-T TAX INFORMATION

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WHAT IS A 1098-T?

The 1098-T form reports the amount billed to you by The University of New Mexico over the course of the previous calendar year. The purpose of the 1098-T is to help you and/or your tax professional determine if you are eligible for the Hope Scholarship Credit or the Lifetime Learning Credit. The 1098-T is just informational; you are not required to attach IRS Form 1098-T to your tax return.

SAMPLE

<input type="checkbox"/> CORRECTED		OMB No. 1545-1574		2008 Form 1098-T	Tuition Statement
FILER'S name, street address, city, state, ZIP code, and telephone number		1 Payments received for qualified tuition and related expenses \$	2 Amounts billed for qualified tuition and related expenses \$		
FILER'S federal identification no.	STUDENT'S social security number	3 If this box is checked, your educational institution has changed its reporting method for 2008 <input type="checkbox"/>		Copy B For Student This is important tax information and is being furnished to the Internal Revenue Service.	
STUDENT'S name		4 Adjustments made for a prior year \$	5 Scholarships or grants \$		
Street address (including apt. no.)		6 Adjustments to scholarships or grants for a prior year \$	7 Checked if the amount in box 1 or 2 includes amounts for an academic period beginning January - March 2008 <input type="checkbox"/>		
City, state, and ZIP code		8 Checked if at least half-time student <input type="checkbox"/>	9 Checked if a graduate student <input type="checkbox"/>		
Service Provider/Acct. No. (see instr.)			10 Ins. contract reimb./refund \$		
Form 1098-T		(keep for your records)		Department of the Treasury - Internal Revenue Service	

HOW TO READ A 1098-T:

The Service Provider/Acct. No. Box in the lower left corner of the 1098-T form provides the UNM student identification number.

Box 1: *Payments received for qualified tuition and related expenses*

This box will be left blank on all University of New Mexico 1098-T forms. Universities may choose whether to report payments received or amounts billed on student accounts; they are not required to report both amounts. UNM has chosen to report qualified tuition and related expense amounts billed.

Box 2: *Amounts billed for qualified tuition and related expenses*

In general, this box will contain the sum of all tuition, course fees, and activity fees billed to a student's account during a calendar year, less any amounts by which tuition was reduced due to a reduction in course load or withdrawal. Decreases in amounts due on a student's account due to scholarship payments, student payments or other payments are not included in the Box 2 amount.

Amounts billed to a student account for housing, meal plans, parking, health insurance, Lobo Card money, or other non-required fees will **not** be included in the Box 2 amount.

Please note that when the Hope Scholarship or Lifetime Learning Credit is taken on the federal income tax return, the calculation of the credit is based on the amount of qualified educational expenses actually paid by the taxpayer during the calendar year. The University reports amounts billed to a student's account. Therefore, the amount you use to calculate your education credit will not necessarily be the same as the amount that appears in Box 2. Also, see Box 7 for additional information about amounts billed in this calendar year for a semester in the next year.

Box 3:

This box will be left blank, since UNM has not changed its current method of reporting from the previous year.

Box 4: *Adjustments made for a prior year*

The amount in this box should be the sum of all reductions in tuition (refunded or not) related to amounts billed in a prior year. This amount is reported as a positive number per IRS requirements. However, it is actually a decrease to the amount that was reported on a prior year 1098-T.

Box 5: *Scholarships or grants*

This box contains the sum of all scholarships UNM administered and processed for the student's account during the calendar year. Scholarships that pay for tuition (qualified scholarships) as well as for housing, books, and other expenses (non-qualified scholarships) will be included in this amount. Tuition waivers and payments received from third parties that are applied to student account for educational expenses are included in this box.

Box 7:

This box will be checked if the amount reported in Box 2 includes tuition or qualified amounts billed to a student account in the current year that pay for a semester beginning in the next calendar year. For example, tuition billed in December 2008 for Spring 2009 will be reported on your 2008 1098-T. Box 7 will be checked to indicate that this is the case.

Box 8:

A check in this box indicates that you are or have been enrolled at UNM for at least half-time for at least one semester during the calendar year.

If you are at least a half-time student for at least one academic period that begins during the year, you meet one of the requirements for the Hope credit. You do not have to meet the workload requirement to qualify for the tuition and fees deduction for the Lifetime Learning credit.

Box 9:

This box will be checked if you are a student enrolled in a program leading to a graduate-level degree. If you are enrolled in a graduate program, you are not eligible for the Hope credit, but you may qualify for the tuition and fees deduction or the Lifetime Learning Credit.

Box 10:

This box is not used by UNM, so it will be blank. It shows the total amount of reimbursements or refunds of qualified tuition and related expenses made by an insurer.

RESOURCES:

If you have questions about how to compute your education tax credit, you should consult your tax professional or refer to the IRS. The University of New Mexico is not able to provide tax advice, but the following are links to further information on 1098-T forms and tax credits:

- IRS Website: <http://www.irs.gov/>
- IRS Publication 970 – Information on the Hope Scholarship Credit and Lifetime Learning Credit: <http://www.irs.gov/pub/irs-pdf/p970.pdf>
- IRS Form 8863, Education Credits (Hope and Lifetime Learning Credits): <http://www.irs.gov/pub/irs-pdf/f9963.pdf>
- IRS Telephone Assistance Hotline: 800-829-1040

FREQUENTLY ASKED QUESTIONS:

- Refer to Fastinfo for frequently asked questions located on the University of New Mexico Website: <http://unm.edu>