

1098-T Tax form Information

What is a 1098-T form?

The IRS 1098-T form is used to assist you in determining if you are eligible for an Education Tax Credit. It is an annual statement that reflects CALENDAR YEAR information, not Academic Year. Visit **the IRS Tax Benefits for Education Information Center** at <https://www.irs.gov/newsroom/tax-benefits-for-education-information-center> for more information.

*** Congress and IRS Changes 1098-T Reporting Beginning with 2018 Tax Year ***

Prior to 2018, schools had the option of reporting either 'Payments received for qualified tuition and related expenses' (Box 1) OR 'Amounts billed for qualified tuition and related expenses' (Box 2). Saint Martin's University has been reporting amounts **billed** since 1998.

If eligible to receive a 1098-T for 2018, you will notice it looks slightly different than in prior years. Congress and the IRS has eliminated the reporting options for colleges and universities requiring that 'amounts paid' for qualified tuition and expenses be reported.

This change means that you will no longer see any amounts in Box 2 on your 1098-T form. You will see an amount in Box 1. Below a sample form has been provided for you.

8383		<input type="checkbox"/> VOID	<input type="checkbox"/> CORRECTED	OMB No. 1545-1527
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		2018 Form 1098-T
		\$		
FILER'S employer identification no.	STUDENT'S TIN	3 Check if you have changed your reporting method for 2018		Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2018 General Instructions for Certain Information Returns.
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 Check this box if the amount in box 1 includes amounts for an academic period beginning January—March 2019	
City or town, state or province, country, and ZIP or foreign postal code		8 Check if at least half-time student	9 Check if a graduate student	
Service Provider/Acct. No. (see instr.)			10 Ins. contract reimb./refund	
Form 1098-T		Cat. No. 25087J		www.irs.gov/Form1098T
Do Not Cut or Separate Forms on This Page		—		Do Not Cut or Separate Forms on This Page

Why the change in reporting?

Congress and the IRS has determined that based on reports from the US Inspector General for Tax Administration, this change eliminates the confusion regarding Box 2 (amounts billed) and the possibility for inaccurate reporting on 1098-T forms. The majority of errors reported in the past had caused this confusion.

General 1098-T Information for Saint Martin's University

Saint Martin's University partners with **Heartland ECSI** for 1098-T tax form processing and IRS reporting.

When are forms available?

Forms will be available for viewing through Heartland ECSI by January 31.

Notifications will be sent to students' SMU email when online viewing is available and mailing has taken place.

Note: If you selected the Electronic Only option to receive your 1098-T form, you will not get one in the mail.

How do I access my 1098-T online?

1. Login to <https://www.heartland.ecsi.net/>
2. Click on the Tax Documents box to begin your search

Box 1 - What is considered a Payment Received for Qualified Tuition and Related Expenses (QTRE)?

Payments received that are reported in Box 1 are the total amount of payments received for QTRE from all sources during the calendar year based on QTRE assessed for each semester during the year. All sources include personal payments, third party payments, scholarships, grants, and student loans. **Box 1 cannot exceed the QTRE assessed for that tax year.**

Box 2 – (will be blank) What are Qualified Tuition and Related Expenses?

These include tuition, fees, and other related expenses for an eligible student that are required for enrollment or attendance at an eligible educational institution. This calculation is no longer reported but is used so that payments reported in Box 1 do not exceed this amount.

Qualified Tuition and Related Expenses

- Tuition
- Activity fee
- Tuition Program Surcharge
- Lab fees
- Online course fees

Expenses that Do Not Qualify

Even though some of these expenses may be paid to attend the school, the following are not qualified education expenses based on IRS regulations:

- Room and board
- Insurance
- Medical expenses (including student health fees and insurance)
- Transportation
- Similar personal, living, or family expenses

Books you pay for or that are charged to your account are not considered qualified education expenses because they can be purchased in places other than the school.

Keep record of your book purchases and consult a tax professional.

Who is eligible to receive the IRS Form 1098-T?

Saint Martin's University students who are U.S. citizens and permanent residents, who had qualified tuition and fee charges that were assessed to the student's account during the current tax reporting year and have payments or scholarship/grants towards those charges, will be issued a 1098-T tax form.

In addition, students who had adjustments to prior year tuition and fee charges or scholarship awards during the current tax reporting year will be sent the Form 1098-T even if they were not enrolled, **beginning with the 2019 tax year.**

****Note:** Saint Martin's University must have a valid U.S social security number in our PowerCAMPUS student system in order to accurately report a valid 1098-T form to the IRS. **To ensure that the University has a legal social security number on file, students who have not provided an SSN to the school must complete the IRS Form W-9S and either mail or hand deliver to Student Financial Services, Saint Martin's University, 5000 Abbey Way SE, Lacey, WA 98503.**

Need a W-9S Form? Click here: <http://www.irs.gov/pub/irs-pdf/fw9s.pdf>

Who will not receive a 1098-T form?

Saint Martin's University is not required to process a 1098-T for non-resident alien students; students who were enrolled in only non-credit courses during the calendar year; or students who may be making payments toward qualified tuition and related expenses but did not have tuition charges assessed for that calendar year. No calculated tuition and qualified expense transactions will usually occur when a student is pre-billed in December of the prior year for a January spring term. If the student graduates in spring or does not enroll later for further

courses, no qualified charges would be assessed for that year. Pre-billed spring charges assessing in the prior year would cause a 1098-T to be reported in the prior year if there were qualified payments received.

Non-resident students may request a form for the most recent tax year reported. Requests must be made in writing and received no later than March 15 of the year following the most recent completed tax year. Please allow 5-10 business days for 1098-T requests to be processed.

Box 5 - This box reflects scholarships and grants that were applied to the account during the calendar year that can be used for qualified tuition and related expenses and are also included in payments received in Box 1.

Saint Martin's University staff cannot give tax advice or assist you in calculating individual credit amounts. Please consult tax advisor for assistance. Your personal financial records serve as your official supporting documentation for your federal tax return.

Always consult a tax professional if you have questions regarding the filing of your taxes and review Education Tax Credits and IRS Publication 970 for the current tax year if you need further information.

Revised 1/23/2019