

# 1098T Explained

The 1098T is an informational form issued to students to help determine eligibility for certain educational tax credits. These forms are prepared in compliance with reporting guidelines established by the IRS. Missouri Western State University is responsible for providing eligible students a correctly calculated Form 1098T and for reporting this information to the IRS.

## **MISSOURI WESTERN STATE UNIVERSITY DOES NOT PROVIDE TAX ADVICE OR OPINION**

The University will not advise on the use of the form, commit as to whether scholarships and/or grants are taxable, or provide any other guidance regarding eligibility for educational tax credits.

All information and assistance that MWSU is able to offer is contained within this website.

This page contains general information about the IRS Form 1098T, including instructions for accessing the document, basic assistance for interpreting and understanding the form, and references to additional resources. Consult your tax advisor for more information

## **Social Security Number/Tax Identification Number (TIN) Requirement**

Missouri Western State University must have your social security number or a TIN to file Form 1098T, Tuition Statement, with the IRS and to furnish a statement to you. There for students are required to provide a Social Security number (SSN) or Taxpayer Identification number (TIN) to Missouri Western State University for tax purposes ([Section 6109 of the Internal Revenue Code](https://www.gpo.gov/fdsys/granule/USCODE-2011-title26/USCODE-2011-title26-subtitleF-chap61-subchapB-sec6109) ( <https://www.gpo.gov/fdsys/granule/USCODE-2011-title26/USCODE-2011-title26-subtitleF-chap61-subchapB-sec6109>)).

**DUAL-ENROLLED HIGH SCHOOL STUDENTS:** Missouri Western State University is required to request this information from any student earning academic credit at the institution, including students enrolled in high-school dual enrollment programs, even if they are a minor student under 18 years of age.

If we do not have a U.S. SSN or TIN for you, the Business Office will send you an email twice a year requesting that you mail, fax or hand-deliver a completed and signed [Social Security Number/Taxpayer Identification Number Update Form](#) to the [Business Office](#).

***Do not email SSN/TIN information. Email is not secure.***

Please note: If you fail to furnish your correct SSN or TIN to Missouri Western State University, the IRS may impose a penalty of \$50 unless your failure is due to reasonable cause and not to willful neglect.

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## Box 1-Payments Received

Reports the qualified tuition and related expenses **PAID** during the calendar year. This is typically referred to as Tuition and Related Expenses (QTRE). Box 1 includes the total amount of ALL **payments** received less refunds for QTRE from all sources during the calendar year including scholarships and grants.

### Tuition and Related Expenses (QTRE):

- Tuition and Mandatory Fees
- Program fees
- Course Specific & Lab Fees
- Book Charges charged to the student account
- Select Miscellaneous Fees that are required for course enrollment
- **The following expenses are not considered Qualified Tuition and Related Expenses and are therefore not included in Box 1:**
  - Room and Board (Meal Plans) Charges
  - Parking Permits and/or Parking fines
  - Student Health Charges
  - Insurance
  - Registration and/or Orientation Fees
  - Miscellaneous Fees
  - Payment Plan Enrollment Fee
  - Late Payment Fee

**Box 2-Reserved**

**Box 3-Reserved**

**Box 4-Adjustments to a Prior Year.** Box 4 reports adjustments made to qualified tuition and related expenses reported on a previous year's 1098T. If it turns out a previous year's expenses were lower than initially reported, the student may be responsible for additional tax for that year.

**Box 5-Scholarships and Grants.** Box 5 shows the amount of scholarships and grants that were paid directly to the school for the student's expenses. Scholarships and grants may reduce the amount of qualified expenses the student can use when calculating a credit.

**Box 6-Adjustments to Scholarships or Grants from a Prior Year.** Box 6 shows any adjustments the school has made to scholarships and grants reported on a previous year's 1098T. These

adjustments may affect the student's tax liability for the previous year, so the student may have to file an amended return.

**Box 7-Future Academic Period January-March.** Box 7, if checked, indicates that Box 1 includes amounts from an academic period beginning for the next calendar year. For example, if a student was billed in December for an academic period beginning in January – March of the following tax year, this box will be marked if there was a payment in December for these charges.

**Box 8-Half-time Student.** Box 8, if checked, indicates that the student is enrolled at least half-time for one or more of the academic year period during the calendar year.

**Box 9-Graduate Student.** Box 9, if checked, indicates that the student is enrolled in a graduate program.

**Box 10-Insurance Contract Reimbursement/Refund.** Box 10 comes into play only in cases in which students have had expenses reimbursed under a "tuition insurance" policy. Such policies reimburse students when they are forced to withdraw from school—for medical reasons or family emergencies, for example—after paying nonrefundable tuition.

- When an insurer reimburses a student's expenses, it must provide that student with a copy of the 1098T.
- The only box that gets filled in is Box 10, which shows the amount reimbursed.
- The amount of expenses used to calculate credits generally must be reduced by any reimbursement reported here.