

# 1098-T FAQs

## What is the 1098-T form?

We use the 1098-T form to report information to you and to the IRS as required by the Taxpayer Relief Act of 1997. We are required to submit general student enrollment information and financial data for the corresponding calendar tax year. The information we include is student name, address, social security number or tax identification number, enrollment status, and academic status. We also report the amount that was paid during the calendar year for qualified tuition and course fees. We further report any scholarship or grant amounts, and, if applicable, adjustments to prior year payments for tuition and/or adjustments to prior year scholarships.

The IRS allows you to deduct the amount you **paid** for eligible educational expenses during the **calendar year**. Previously the IRS allowed schools to report the amount **charged** for eligible educational expenses during the calendar year. Calendar year 2018 is the first year where all schools are required to report **payments received for tuition and related charges**. You may notice a difference in reporting over previous years.

## Why did I get a 1098-T form?

Azusa Pacific University is required to provide a 1098-T to students who are U.S. citizens, were enrolled at least half-time at any point during the calendar year, successfully completed their courses enrolled, and whose eligible tuition and related charges were not completely covered by financial aid. Educational loans are not included in the 1098-T totals.

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

We do not automatically prepare a 1098-T under certain circumstances:

- \* Your financial aid, in the form of scholarships, grants, or third party payments, exceeded the amount of payments for qualified tuition and expenses posted for the calendar year.
- \* You are not a U.S. citizen.
- \* You withdrew from all your classes.
- \* You were not enrolled at least half-time for any academic term during the calendar year.
- \* You did not pass your classes.
- \* We may not have your social security number (SSN) or taxpayer identification number (TIN).  
Fill out a W-9S [<http://www.irs.gov/pub/irs-pdf/fw9s.pdf>] and mail or fax or just drop it by your Registrar's Office.

If none of these circumstances apply to you (i.e. you qualify for a 1098-T), federal law requires that you furnish a TIN so that it may be included on an information return filed by APU.

If you do fit into one of the categories above but still want a 1098-T then you may speak with your Account Specialist to see if a 1098-T is appropriate for your situation. [See contact information below.](#)

### **Is the 1098-T a bill?**

No, it is a report of amounts you already paid. It is used to help you determine whether you may be eligible for certain federal or state income tax benefits.

### **Does the 1098-T report any income that I need to declare on my income tax forms?**

No. However, if financial aid, grants or scholarships exceed the amount of tuition and other qualified expenses, you might need to report the excess as income. Consult a reputable tax advisor for professional advice.

### **I received a CARES Act (2020) emergency financial aid grant related to unexpected expenses due to the COVID-19 pandemic. Is this grant includible in my gross income.**

No, CARES Act grants are qualified disaster relief payments under section 139 of the Internal Revenue Code.

### **How will I receive my 1098-T?**

The law requires that we mail your 1098-T by January 31 for the prior calendar year just completed. You can expect it to come to your home address early in February. You can opt to receive the form electronically by selecting the “Electronic delivery only option” at the APU payment web site (currently Transact Payment, formerly Cashnet). You may also access a copy online, either at the Transact Payments web site or in the APU student portal at <https://home.apu.edu>.

### **I’m a parent. Can I have my student’s 1098-T form sent to me?**

Students alone must make all information requests. The student is responsible for providing information to other parties in accordance with FERPA (Family Education Right to Privacy Act). See <http://www.ed.gov/policy/gen/guid/fpco/ferpa/index.html>. Note that students can set up a Parent/Authorized Payer account in Transact Payments, our on-line services provider.

### **I paid a different amount than what the 1098-T reports. Why is there a difference?**

We receive payments for many kinds of charges, not just tuition. It may be that some form of financial aid covered tuition charges first, so that a subsequent payment had to apply to a non-tuition charge such as Housing, Parking, Health Center, etc. We can review your account to see if a corrected form is in order.

### **Why aren't there amounts in both boxes 1 and 2 on the 1098-T form?**

In previous years, the IRS allowed schools to report EITHER the aggregate amount of payments received for qualified tuition and related expenses (box 1), OR the aggregate amount billed for tuition and related expenses (box 2) during the calendar year, but NOT BOTH.

Beginning with calendar year 2018 all schools **must** report payments received, a Box 1 number.

### **What kinds of tax benefits might I be eligible for?**

APU cannot offer tax advice. Please consult a qualified tax advisor.

### **What educational expenses are considered qualified tuition and related expenses?**

Qualified tuition and related expenses are:

- \* Tuition for classes you enrolled in and passed
- \* Required class fees such as Lab Fees or mandatory uniforms

Generally, they do NOT include:

- \* Room and board
- \* Student activities
- \* Athletics (unless the course is part of the degree program)
- \* Insurance
- \* Equipment
- \* Health Center fees
- \* Parking fees or vehicle fines
- \* Other similar personal, living or family expenses.

For the American Opportunity Credit the term “qualified tuition and related expenses” has been expanded to include course materials such as books, supplies, and equipment needed for a course of study whether or not the materials are purchased from the institution as a condition of enrollment. You may or may not have paid for textbooks through your APU student account; if you did, that should be included in the total reported in Box 1 of the form.

### **I paid my tuition and related expenses with student loans. Can I still claim an American Opportunity Tax Credit or Lifetime Learning Tax Credit or the Higher Education Tuition and Fees Deduction?**

Yes. Loan funds should be treated in the same manner as cash payments when calculating an educational expense tax benefit. However, any scholarships, grants, or other non-taxable aid must be deducted from the amount of qualified tuition and related expenses paid.

### **I have more questions, whom do I contact?**

Your account specialist can help answer your questions. See the contact information below:

Undergraduate Enrollment Services Center

Phone: (626) 815-2020

Fax: (626) 815-3809

email: [uesc@apu.edu](mailto:uesc@apu.edu)

Graduate and Professional Services Center

Phone: (626) 815-4570

Fax: (626) 815-4571

email: [gpc@apu.edu](mailto:gpc@apu.edu)