

It is important to note that Bentley University cannot provide tax advice or assist in calculating individual credit amounts. You should consult your tax advisor for assistance in determining your eligibility or for other tax related questions. This document provides basic public information about your 1098-T.

Individuals should obtain the IRS Publication 970, Tax Benefits for Higher Education (<http://www.irs.gov/pub/irs-pdf/p970.pdf>), or contact your personal tax preparer regarding your income tax situation.

What is a 1098-T?

A 1098-T reports the amount of payments, up to the amount of qualified tuition and related expenses (QTRE), and scholarships/grants posted to your student account during the calendar year. The purpose of the form is to help determine a student's eligibility for the American Opportunity Tax Credit and Lifetime Learning Credit education tax credits. Refer to the IRS' 1098-T Instructions.

Who receives a 1098-T form?

Students who are U.S. citizens OR permanent residents and who receive enrollment credit during the tax year and had reportable transactions (QTRE) during the calendar year.

Who does not automatically receive a 1098-T form?

Non-resident alien (international student), students not enrolled in courses or programs that do not earn credit, students with no reportable qualified tuition and related expenses during the tax year, do not have any adjustments made to a prior year, and who have no reportable scholarships or grants.

What amounts are reported on Form 1098-T?

Box 1: Payments received for qualified tuition and related expenses from ALL sources during the calendar year, up to the amount of qualified tuition and related expenses. This includes financial aid, loans, cash, check, wire or any other source of payment to the account. The amount reported is the total amount of payments received less any reimbursements or refunds made during the calendar year that relate to the payments received during the same calendar year. It does not include payments for books, supplies or equipment needed for a course of study. The best and most accurate source of information about the amounts that you paid for qualified tuition and related expenses will be your Fee Bills.

Box 2: Starting in tax year 2018 the IRS required institutions to report payments made toward qualified tuition and related expenses. This means Box 2 will always be empty.

Box 3: This box is intentionally left blank and is reserved for future use.

Box 4: Represents reductions made to amounts billed for qualified tuition and related expenses that were reported for a prior calendar year.

Box 5: Represents the total amount of scholarships and grants paid in the calendar year. Scholarships and grants include financial assistance from University, state, federal and external sponsors or scholarships.

Box 6: Represents the amount of reductions or refunds made for scholarships or grants that were reported for a prior calendar year.

Box 7: Is checked if the amount in box 1 includes amounts for an academic period beginning Jan. – Mar. of the next the next year.

Box 8: Is checked if you have been at least a half-time student (6 credit hours) for a least one academic period that began during the calendar year.

Box 9: Is checked if you were enrolled as a graduate student for at least one academic period during the calendar year for which reporting is required

Frequently Asked Questions

Why is box 5 greater than Box 1 and is the difference taxable?

Box 5 may be greater than Box 1 if the amount of grants and scholarships posted to the student account is greater than the amount paid for qualified tuition and related expenses during the tax year. The amount shown in Box 1 is limited to the total amount of QTRE charged in the calendar year. In some cases, the charges for the prior spring/winter terms may have posted in the prior tax year. To determine if this is taxable please refer to IRS Publication 970.

My 1098-T does not include my spring 2021 charges. Why?

This occurs if your registration is processed before the end of the 2020 tax year. Qualified charges are initiated by your registration; therefore, the posting of your charges will be in the calendar year in which you are registered for spring courses. Spring charges would have been included on your prior year (2020) 1098-T.

My 1098-T does not include my spring 2022 payments. Why?

The reported payments on your 2021 1098-T include all payments from all sources in the tax year 2021 including loans, grants, payments, scholarships, etc., but excluding those payments made specifically for non-qualified expenses such as meals, housing, health insurance, etc. If your payment for spring 2022 was made after December 31, 2021 it will be included in your 2022 1098-T if there are additional qualified charges to be reported.

What if I made payments in a tax year, but there are no qualified expenses in that same year?

Total qualified charges and adjustments are summed from prior years and previously reported Box 1 amounts (payments towards qualified charges) are deducted from the total. If there are any excess

qualified charges, they will be carried over to the next year so that any payments that may be made in a year without qualified charges may be reported.