



Northeastern

1098-T Information for Calendar 2008 Tax Year

January, 2009

Dear Student:

Below is important information you should know when filing for the Education tax credits. This information is taken from the "Federal Register/Vol. 67, No. 244/Thursday December 19, 2002/Rules and Regulations". There have been no major changes to the preparation of the 1098T since this date.

(A) The University has elected to comply with the option of reporting total amounts billed by the university for qualified tuition and related expenses during the calendar year. The University had the option of reporting **either** the amounts billed or total payments received.

(B) "Under section 25A and the regulations thereunder of the tax law, the taxpayer may claim an educational tax credit only with respect to qualified tuition and expenses actually paid during the calendar year." Therefore you may not be able to claim an education tax credit with respect to the entire amount of payments made or amounts billed for tuition and related expenses during calendar 2008.

(C) "The amount of any scholarships or grants that are reported on the 1098-T form for the calendar year and other similar amounts that were not administered and processed by the University may reduce the amount of any allowable education tax credit for the taxable year."

(D) "The amount of any reimbursements or refunds of payments received, or any reduction in charges for qualified tuition and related expenses, or any reduction to the amount of scholarships or grants, reported by the institution with respect to the individual for a prior calendar year may affect the amount of any allowable education tax credit for the prior calendar year and may result in an increase in tax liability for the year of the refund."

Northeastern can only answer questions relating to how the form was prepared. **THE TAXPAYER SHOULD REFER TO RELEVANT IRS FORMS AND PUBLICATIONS, AND NOT THE INSTITUTION, FOR EXPLANATIONS RELATING TO THE ELIGIBILITY REQUIREMENTS FOR, AND CALCULATION OF, ANY ALLOWABLE EDUCATION TAX CREDIT.**

IRS Publications—go to www.irs.gov

2008 Publication 970 - Contains information on both Hope Scholarship and Lifetime Learning Credit. Covers eligibility, qualifying expenses, how to figure and claim credit, etc.

IRS Form—go to www.irs.gov

2008 Form 8863 - This is the form used to calculate the tax credit and must accompany the tax return.

Phone Numbers

IRS—Asking Tax Questions: 1.800.829.1040, TTY/TDD 1.800.829.4059

IRS—Ordering Forms and Publications: 1.800.829.3676, TTY/TDD 1.800.829.4059

IRS—Taxpayer Advocate: 1.877.777.4778, TTY/TDD 1.800.829.4059

Northeastern 1098-T Information Line: 1.617.373.2831

On the Web: <http://www.neu.edu/registrar/billing-1098-t.html>