

Information on 1098T Reporting

The provisions of the Tax Relief Act of 1997 require all eligible educational institutions to file informational returns with the IRS and to provide students a 1098T tax form containing this information. **Please note that the issuance of this form does not imply eligibility to claim a tax credit for 2004.**

1098T forms have been mailed to the permanent address of Arkansas Tech University students who were enrolled, or had enrollment transactions posted to their student accounts, during 2004. The following information is being provided to help you and your tax advisor determine the amount of any credit to which you may be entitled.

The IRS requires that either Box 1 or 2 of the 1098T be completed. The University has reported Box 2—Amounts billed for qualified tuition and related expenses. (In general, qualified tuition and related expenses are defined as “tuition and fees required for the enrollment or attendance of a student for a course of instruction at an eligible institution.” Qualified tuition and related expenses do not include the cost of books, supplies, medical insurance, room and board, transportation or similar personal, living or family expenses.) **The dollar amount that appears in Box 2 will represent the qualifying expenses assessed or charged to the student in the calendar year 2004.** This may or may not include Spring term 2004 charges and/or Spring term 2005 charges; this will depend upon which calendar year the student registered for classes. (For example, if the student registered in the Fall of 2003 for Spring 2004 classes, the amount in Box 2 does not include Spring 2004 charges. On the other hand, if the student registered in January 2004 for Spring 2004 classes, the charges will be reflected in Box 2.) Keep in mind that the transaction date is the determinant of whether the amounts are reported. Please refer to the information provided on the bottom of the 1098T to assist you in determining which terms are being reported.

Box 3—Adjustments made for a prior year—will be the amount of adjustments made to the amount in Box 2, reported in a term with a beginning date after January 1, 2003, which was the first day the actual dollar amounts were required to be reported to the IRS.

Box 4—Scholarships or grants—will be the amount of the awards credited to the student account **during the calendar year 2004.** Once again, this may or may not include Spring term 2004 awards and/or Spring term 2005 awards.

Box 5—Adjustments to scholarships or grants for a prior year—will be the amount of adjustments made to the amount in Box 4, reported in a term with a beginning date after January 1, 2003, which was the first day the actual dollar amounts were required to be reported to the IRS.

Box 6—If this box is checked, the amount in Box 2 includes amounts for an academic period beginning January-March 2005.

Box 7 will be blank on your 1098T. The reporting institution (Arkansas Tech University) is not required to provide information in this box for the 2004 tax year.

Box 8—If this box is checked, the student was enrolled at least half-time (minimum of 6 credit hours) during any academic period beginning in 2004.

Box 9 will be checked if the student was enrolled exclusively in a program leading to a graduate degree, certificate, or other graduate credential.

This information is being provided to help you and your tax advisor determine the amount of any credit to which you may be entitled, and is based upon the University's interpretation of the IRS guidelines and should not be considered official tax advice. Questions about the eligibility to claim the tax credit, limitations of the tax credit amount, and filing information should be directed to an IRS representative or other tax professional.