1098-T INFORMATION GUIDE

Background
Stanford University is required by the Internal Revenue Service (IRS) to file an annual Tuition Statement (IRS Form 1098-T) for each student who is a U.S. citizen or permanent resident pursuing a degree, and for whom a reportable transaction is made during the calendar year. This is pursuant to the Taxpayer Relief Act of 1997.

The 1098-T is a Tuition Statement. The main purpose of the 1098-T is to be used to qualify for educational tax credits. Educational tax credits are defined as all tuition related fees, (which may include small fees for special PE classes, course materials, and lab fees,) Documents Fee, and Student Activities Fees.

The 1098-T, unlike the W-2, is not an Income Tax Report. It is not intended to reflect a statement of taxable income. It is not required to be filed with your tax return forms. Again, it is a Tuition Statement.

How to interpret the values in the boxes that are being reported in the 1098-T
The 1098-T reports on the amount “billed” for tuition and related expenses that have been incurred during the calendar year, not academic year, as well as any scholarships or grants that have been assigned to the student account during that calendar year. Please note, the 1098-T captures movement on your Stanford account within a calendar year.

Box 2. Amounts Billed for Qualified Tuition and Related Expenses: This box reports on the amounts billed during the calendar year for qualified tuition and related expenses.
- Please note that you are billed for the winter quarter in November of the prior calendar year.
- Please do not subtract the figures in box 2 from box 5, this is not an income statement and should not be used to identify taxable income.

Box 4. Adjustments Made for a Prior Year: Amounts billed.
- Reductions in charges made for qualified tuition and related expenses made during the calendar year that relate to amounts billed that were reported for any prior year.

Box 5. Scholarships or Grants: Reports total amount of any scholarships or grants that you received from Stanford during the calendar year. Payments received may include:
- Third parties (TPC)
- University or Departmental grants and fellowships
- Governmental and private entities (Department of Veterans Affairs, the Department of Defense, civic and religious organizations
- A scholarship or grant is received
Box 6. Adjustments to Scholarships or Grants for a Prior Year: Reports on amount or any reduction to the amount of scholarships or grants that were reported during any prior year.

- In most cases, Box 6 may show adjustments made by Academic Departments or the Financial Aid Office (FAO) to update or change funding sources for fellowships or grants. This update removes the aid from, in the eyes of the IRS, from a prior’s year 1098-T. Even though the aid covered a prior year’s charges, since it was altered in this calendar year (2017) you will see the numbers included in Box 5.

Please refer to the next section to review methods to access financial information that went into comprising the 1098-T for 2017.

How to obtain an Itemized Breakdown of the figures comprising the amounts in the 1098-T

Box Breakdown
When you download your 1098-T, you can also see the data used to calculate the amounts for each box of the form.

- Click on the Tax Year hyperlink to view the 1098-T Tuition Statement
- Click the Box Amount tab to view the details
- Click the hyperlink of the field Amount to view details

View Financial History by Term (VFHBT)
This feature in Axess allows you to see all charges, payments and refunds activities in your student account. You can download the raw data, but will not discriminate any tax eligible fees or aids. It will list everything. You will have to use Excel to perform your own calculations

Video
The Student Financial Services (SFS) is working on a new video, which will be posted on their web site under the 1098-T section.

Resources
- SFS web site: https://sfs.stanford.edu/taxes/resources
- Fingate: https://web.stanford.edu/group/fms/fingate/staff/supptstudents/tax_students.html
- If you need help to file taxes, please seek qualified tax counsel and/or contact the IRS at (800) 829-1040
- Bechtel International Center: https://bechtel.stanford.edu/practical-matters/taxes/general-tax-information
- IRS website: https://www.irs.gov/help/ita/am-i-eligible-to-claim-an-education-credit

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