

## When is Form 1098-T Out of Scope?

If there is an entry in **Box 4** or **Box 6** of **Form 1098-T**, the return may be out of scope.

CORRECTED

|  |               |   |   |   |
|--|---------------|---|---|---|
| FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number |               | <b>1</b> Payments received for qualified tuition and related expenses<br>\$ _____<br><b>2</b> _____ | OMB No. 1545-1574<br><br><div style="font-size: 2em; font-weight: bold; text-align: center;">2021</div> Form <b>1098-T</b>            | <b>Tuition Statement</b>  |
| FILER'S employer identification no.  | STUDENT'S TIN | <b>3</b> _____  |   | <b>Copy B For Student</b><br><br>This is important tax information and is being furnished to the IRS. This form must be used to complete Form 8863 to claim education credits. Give it to the tax preparer or use it to prepare the tax return. |
| STUDENT'S name   |               | <b>4</b> Adjustments made for a prior year<br>\$ _____  | <b>5</b> Scholarships or grants<br>\$ _____   |   |
| Street address (including apt. no.)  |               | <b>6</b> Adjustments to scholarships or grants for a prior year<br>\$ _____                         | <b>7</b> Checked if the amount in box 1 includes amounts for an academic period beginning January–March 2022 <input type="checkbox"/> |   |
| City or town, state or province, country, and ZIP or foreign postal code   |               | <b>8</b> Checked if at least half-time student <input type="checkbox"/>                             | <b>9</b> Checked if a graduate student <input type="checkbox"/>   |   |
| Service Provider/Acct. No. (see instr.)  |               | <b>10</b> Ins. contract reimb./refund<br>\$ _____   |   |   |

Form **1098-T** (keep for your records) www.irs.gov/Form1098T Department of the Treasury - Internal Revenue Service

| Scenario  | In Scope for VITA? | Action  |
|---|--------------------|---|
| The tax return is for a student who <u>was not claimed</u> as a dependent last year and the student <u>did not claim</u> the education credit on the previous year's tax return.          | Yes                | Prepare the return and calculate the education credit as usual. Disregard the entries in Boxes 4 and 6.       |
| The tax return is for a student who <u>was not claimed</u> as a dependent last year and the student <u>did claim</u> the education credit on the previous year's tax return.              | No                 | Refer the taxpayer to Special Tax Services for a so-called Education Credit Recapture. See your Site Manager. |
| The tax return is for a student who <u>was claimed</u> as a dependent last year and the student's parents <u>did or did not claim</u> the education credit on the previous year's return. | Yes                | Prepare the return and calculate the education credit as usual. Disregard the entries in Boxes 4 and 6.       |

| Scenario  | In Scope for VITA? | Action   |
|---|--------------------|--|
| <p>The tax return is for the parent(s) of the student who <u>is claimed</u> as a dependent and the parents <u>did not claim</u> the education credit on the previous year's tax return.</p> | <p>Yes</p>         | <p>Prepare the return and calculate the education credit as usual. Disregard the entries in Boxes 4 and 6.</p>       |
| <p>The tax return is for the parent(s) of the student who <u>is claimed</u> as a dependent and the parents <u>did claim</u> the education credit on the previous year's tax return.</p>     | <p>No</p>          | <p>Refer the taxpayer to Special Tax Services for a so-called Education Credit Recapture. See your Site Manager.</p> |