1098-T Frequently Asked Questions

**Q: What is the IRS Form 1098-T?**

A: The Form 1098-T is a statement that colleges and universities are required to issue to students who have reportable transactions within a calendar year. Students use the information contained in the 1098-T Tuition Statements to determine eligibility for certain Education Credits when preparing their annual tax return.

**Q: When will I receive my Form 1098-T?**

A: Your 2018 Form 1098-T will be available to you electronically through the CampusNexus-Student Portal, or mailed, no later than January 31, 2019.

**Q: What is different about the calendar year 2018 Form 1098-T?**

A: A reporting method change, required under federal law, was implemented for the issuance of 2018 1098-T Tuition Statements. Beginning in 2018, Box 1: Payments Received for Qualified Tuition and Related Expenses (“QTRE”) is populated. As such, Box 3 is checked representing the change in reporting method. In previous years, Box 2: Amounts Billed for QTRE was populated. Beginning in 2018, Box 2 is no longer available for use.

**Q: What is included in Box 1: Payments Received for Qualified Tuition and Related Expenses?**

A: Box 1 is the amount of payments received for Qualified Tuition and Related Expenses (“QTRE”) from *all* sources during the calendar year. The amount reported is the total amount of payments received less any refunds (or stipends) made during the calendar year that relate to payments received for QTRE during the same calendar year. Box 1 includes payments received in calendar year 2018 for a semester that began in a prior year (i.e. Fall 2017). Box 1 also includes payments received during calendar year 2018 for a semester that begins in the first three months of the following calendar year (i.e. Spring 2019). When this occurs, Box 7 is checked. Student ledger cards are the best source of information related to particular transaction dates.

**Q: What is QTRE?**

A: QTRE are tuition, fees, and course materials required for a student to be enrolled at or attend an eligible educational institution. Tuition and Educational Service Fees are easy. For SOMI students, Health Assessment Fees and Marker Fees are included in QTRE. Items that are not included in QTRE are travel expenses for tuition abroad (course fees are included), NLN Exam Fees, Continuing Education courses, etc.

**Q: What is included in Box 5: Scholarships and Grants?**

A: Box 5 is the amount of Scholarships and Grants that were processed by BSMCON/SOMI during calendar year 2018 for the student’s Cost of Attendance (“COA”). Note that the amount reported in Box 5 may be greater than the amount reported in Box 1. Box 5 generally includes all third party payments received and processed as payment for COA. Box 5 includes, but is not limited to, Federal Pell Grants, Federal Supplemental Educational Opportunity Grants (“FSEOG”), internal and external Scholarships, Ed Assist, Department of Veteran Affairs, RN-BSN Education Benefit funds, etc.

**Q: Why aren’t my VA529 benefits included in Box 5?**

A: While VA529 Plan payments are included in Box 1 as payment for QTRE, VA529 Plan distributions are *not* included in Box 5. Students should receive a Form 1099-Q.

**Q: What is included in Box 6: Prior Year Adjustments for Scholarships and Grants?**

A: Box 6 represents a reduction in the amount of Scholarships and Grants reported in a previous year’s Form 1098-T. If a Pell Grant is refunded to the Department of Education during 2018 due to student ineligibility and the entire Pell Grant was reported in the 2017 Form 1098-T, the reduced amount that occurred during 2018 will be reflected in Box 6.

**Q: Why is Box 7 Checked?**

A: Box 7 is checked when payment is received for QTRE during 2018 for a semester that begins in the first three months of the following calendar year. For example, if payment is received during December 2018 for the upcoming Spring 2019 semester, the payment is included in Box 1 and Box 7 is checked to indicate it is for an academic period that begins in January 2019.

**Q: What is Box 8?**

A: Box 8 is checked if the student was enrolled at least Half Time (6 credit hours or more) during any academic period that began in calendar year 2018. For example, a student takes 9 credits in Spring 2018 and 3 credits in Fall 2018, Box 8 is checked because the student was enrolled at least Half Time during an academic period (i.e. semester) that began in 2018.

**Q: Why didn’t I receive a Form 1098-T?**

A: BSMCON/SOMI is not required to furnish a Form 1098-T for:payments for courses for which no academic credit is offered (i.e. Continuing Education courses), enrolled students who are nonresident aliens (unless requested by the student) and students whose QTRE are entirely paid with Grants and Scholarships.

In addition, new students who begin enrollment with BSMCON during the Spring 2019 semester will *not* receive a Form 1098-T until calendar year 2019, even if payment of QTRE is received in December 2018, in accordance with federal regulations.

**Q: How do I calculate the amount of my Education Tax Credit?**

A: BSMCON/SOMI is not able to provide individual tax return advice. Additional Education Credit information can be found in IRS Publication 970: Tax Benefits for Education at <https://www.irs.gov/forms-pubs/about-publication-970>

**Q: I have more questions, who do I contact?**

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