

Tax for College Students

Overall, there are four steps you'll need to take to file taxes as a college student:

- Learn your dependency status
- Compile your tax forms
- Claim tax credits
- Claim higher education tax deductions
- File your taxes

Dependency Status

DESPITE WHAT YOU THINK --

you may still be considered a “dependent”

for tax purposes.

If you're a student and your parents are claiming you as a dependent, you aren't eligible to claim deductions or credits yourself.

have a conversation with your parents

you can't claim any credits or deductions

your parents are already claiming on their return.

Tax Forms

22222

VOID

**a** Employee's social security number**For Official Use Only ▶**
OMB No. 1545-0008**b** Employer identification number (EIN)**1** Wages, tips, other compensation**2** Federal income tax withheld**c** Employer's name, address, and ZIP code**3** Social security wages**4** Social security tax withheld**5** Medicare wages and tips**6** Medicare tax withheld**7** Social security tips**8** Allocated tips**d** Control number**9****10** Dependent care benefits**e** Employee's first name and initial

Last name

Suff.

11 Nonqualified plans**12a** See instructions for box 12

Code

13Statutory
employeeRetirement
planThird-party
sick pay**12b**

Code

14 Other**12c**

Code

12d

Code

f Employee's address and ZIP code**15** State Employer's state ID number**16** State wages, tips, etc.**17** State income tax**18** Local wages, tips, etc.**19** Local income tax**20** Locality name**Form W-2 Wage and Tax Statement****2021**

Department of the Treasury—Internal Revenue Service

**For Privacy Act and Paperwork Reduction
Act Notice, see the separate instructions.**

Cat. No. 10134D

Copy A—For Social Security Administration. Send this entire page with
Form W-3 to the Social Security Administration; photocopies are **not** acceptable.**Do Not Cut, Fold, or Staple Forms on This Page**

9595

☐

VOID

☐

CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

1 Rents

\$

2 Royalties

\$

3 Other income

\$

OMB No. 1545-0115

2020

Form 1099-MISC

Miscellaneous Income

Copy A

For

Internal Revenue
Service Center

File with Form 1096.

For Privacy Act
and Paperwork
Reduction Act
Notice, see the
**2020 General
Instructions for
Certain
Information
Returns.**

PAYER'S TIN

RECIPIENT'S TIN

5 Fishing boat proceeds

\$

6 Medical and health care payments

\$

RECIPIENT'S name

7 Payer made direct sales of
\$5,000 or more of consumer
products to a buyer
(recipient) for resale ☐

8 Substitute payments in lieu of
dividends or interest

\$

Street address (including apt. no.)

9 Crop insurance proceeds

\$

10 Gross proceeds paid to an
attorney

\$

City or town, state or province, country, and ZIP or foreign postal code

11

12 Section 409A deferrals

\$

Account number (see instructions)

FATCA filing
requirement

☐

2nd TIN not.

☐

13 Excess golden parachute
payments

\$

14 Nonqualified deferred
compensation

\$

15 State tax withheld

\$

\$

16 State/Payer's state no.

17 State income

\$

\$

Form 1099-MISC

Cat. No. 14425J

www.irs.gov/Form1099MISC

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

7171

☐ VOID☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

OMB No. 1545-0116

2020

Form 1099-NEC

**Nonemployee
Compensation****Copy A
For****Internal Revenue
Service Center****File with Form 1096.****For Privacy Act
and Paperwork
Reduction Act
Notice, see the
2020 General
Instructions for
Certain
Information
Returns.****1** Nonemployee compensation

\$

2**3****4** Federal income tax withheld

\$

5 State tax withheld

\$

\$

6 State/Payer's state no.**7** State income

\$

\$

PAYER'S TIN

RECIPIENT'S TIN

RECIPIENT'S name

Street address (including apt. no.)

City or town, state or province, country, and ZIP or foreign postal code

FATCA filing
requirement

Account number (see instructions)

2nd TIN not.

Form **1099-NEC**

Cat. No. 72590N

www.irs.gov/Form1099NEC

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page**— Do Not Cut or Separate Forms on This Page**

8383

☐

VOID

☐

CORRECTED

**Tuition
Statement****Copy A
For****Internal Revenue
Service Center****File with Form 1096.**For Privacy Act and
Paperwork Reduction
Act Notice, see the
**2021 General
Instructions for
Certain Information
Returns.**

OMB No. 1545-1574

2021Form **1098-T****1** Payments received for
qualified tuition and related
expenses

\$

2**3****4** Adjustments made for a
prior year

\$

6 Adjustments to
scholarships or grants
for a prior year

\$

9 Checked if a graduate
student ☐**5** Scholarships or grants

\$

7 Checked if the amount
in box 1 includes
amounts for an
academic period
beginning January–
March 2022 ☐**10** Ins. contract reimb./refund

\$

FILER'S name, street address, city or town, state or province, country, ZIP or
foreign postal code, and telephone number

FILER'S employer identification no.

STUDENT'S TIN

☐

STUDENT'S name

Street address (including apt. no.)

City or town, state or province, country, and ZIP or foreign postal code

Service Provider/Acct. No. (see instr.)

8 Checked if at least
half-time student ☐Form **1098-T**

Cat. No. 25087J

www.irs.gov/Form1098T

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

8484

☐

VOID

☐

CORRECTED

RECIPIENT'S/LENDER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number

OMB No. 1545-1576

2021

Form 1098-E

Student Loan Interest Statement

RECIPIENT'S TIN

BORROWER'S TIN

1 Student loan interest received by lender

\$

BORROWER'S name

Street address (including apt. no.)

City or town, state or province, country, and ZIP or foreign postal code

Account number (see instructions)

2 Check if box 1 does **not** include loan origination fees and/or capitalized interest, and the loan was made before September 1, 2004 ☐

Copy A

For
Internal Revenue
Service Center

File with Form 1096.

For Privacy Act and
Paperwork Reduction
Act Notice, see the
**2021 General
Instructions for
Certain Information
Returns.**

Form 1098-E

Cat. No. 25088U

www.irs.gov/Form1098E

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

Name(s) shown on return	Your social security number



Complete a separate Part III on page 2 for each student for whom you're claiming either credit before you complete Parts I and II.

Part I Refundable American Opportunity Credit

1 After completing Part III for each student, enter the total of all amounts from all Parts III, line 30 . . .	1	
2 Enter: \$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er)	2	
3 Enter the amount from Form 1040 or 1040-SR, line 11. If you're filing Form 2555 or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter	3	
4 Subtract line 3 from line 2. If zero or less, stop ; you can't take any education credit	4	
5 Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	5	
6 If line 4 is: • Equal to or more than line 5, enter 1.000 on line 6 • Less than line 5, divide line 4 by line 5. Enter the result as a decimal (rounded to at least three places)	6	
7 Multiply line 1 by line 6. Caution: If you were under age 24 at the end of the year and meet the conditions described in the instructions, you can't take the refundable American opportunity credit; skip line 8, enter the amount from line 7 on line 9, and check this box <input type="checkbox"/>	7	
8 Refundable American opportunity credit. Multiply line 7 by 40% (0.40). Enter the amount here and on Form 1040 or 1040-SR, line 29. Then go to line 9 below.	8	

Part II Nonrefundable Education Credits

9 Subtract line 8 from line 7. Enter here and on line 2 of the Credit Limit Worksheet (see instructions) . . .	9	
10 After completing Part III for each student, enter the total of all amounts from all Parts III, line 31. If zero, skip lines 11 through 17, enter -0- on line 18, and go to line 19	10	
11 Enter the smaller of line 10 or \$10,000	11	
12 Multiply line 11 by 20% (0.20)	12	
13 Enter: \$138,000 if married filing jointly; \$69,000 if single, head of household, or qualifying widow(er)	13	
14 Enter the amount from Form 1040 or 1040-SR, line 11. If you're filing Form 2555 or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter	14	
15 Subtract line 14 from line 13. If zero or less, skip lines 16 and 17, enter -0- on line 18, and go to line 19	15	
16 Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	16	
17 If line 15 is: • Equal to or more than line 16, enter 1.000 on line 17 and go to line 18 • Less than line 16, divide line 15 by line 16. Enter the result as a decimal (rounded to at least three places)	17	
18 Multiply line 12 by line 17. Enter here and on line 1 of the Credit Limit Worksheet (see instructions) ▶	18	
19 Nonrefundable education credits. Enter the amount from line 7 of the Credit Limit Worksheet (see instructions) here and on Schedule 3 (Form 1040), line 3	19	

Claiming Education Tax Credits

American Opportunity Credit

you're an undergraduate and

have not completed the first four years of

post-secondary education as of the beginning of the year.

You'll need to be in a program

at a recognized post-secondary educational institution

working toward a degree or certificate.

at least half the full-time workload for at least

one of your academic periods.

you don't qualify if you've been convicted of
a felony drug offense.

qualifying expenses, TUITION & REQUIRED FEES

required course materials — like books, supplies, and
equipment

The eligible student is yourself, your spouse
or a dependent listed on your tax return;

American Opportunity Tax Credit

The credit is 100% of the first \$2,000

and 25% of the next \$2,000 you spend on

qualified expenses.

Let's

say you spent \$5,000 this year on college tuition.

The AOTC would give you a \$2,000 credit for the first \$2,000

you spent, and 25% of the next \$2,000 for

a total of \$2,500 - THE MAXIMUM AMOUNT

If you had a tax bill of \$750

before claiming the credit,

it would reduce your bill to zero.

you can get up to 40% of the remainder as a refund.

In this case, you would get 40% of \$1,750—

the remaining amount of the AOTC after paying your tax bill—
and get \$700 in cash.

INCOME LIMITS ON HOW MUCH CREDIT

PARENTS CAN TAKE

THE STUDENT can claim the education credit on his return if both of these apply:

- You qualify as your dependent.
- BUT THEY don't claim YOU as a dependent.

in this instance --- no refundable portion available

Lifetime Learning Credit

no limit on how many years

offset the cost of undergraduate, graduate or professional degree

credit is 20% of the first \$10,000

tuition and fees tax deduction v

can claim the deduction through 2020.

No Double Benefits

Student Loan Interest

8484



VOID



CORRECTED

RECIPIENT'S/LENDER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number

OMB No. 1545-1576

2021Form **1098-E**

Student Loan Interest Statement

RECIPIENT'S TIN

BORROWER'S TIN

1 Student loan interest received by lender

\$

Copy A**For****Internal Revenue
Service Center****File with Form 1096.**

For Privacy Act and
Paperwork Reduction
Act Notice, see the
**2021 General
Instructions for
Certain Information
Returns.**

BORROWER'S name

Street address (including apt. no.)

City or town, state or province, country, and ZIP or foreign postal code

Account number (see instructions)

2 Check if box 1 does **not** include loan origination fees
and/or capitalized interest, and the loan was made
before September 1, 2004 ☐

Form **1098-E**

Cat. No. 25088U

www.irs.gov/Form1098E

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page