

## EDUCATIONAL EXPENSE WORKSHEET

Student	Institution	Total Amount	Amounts Paid By		
Jolyn	Stanford		3rd Party	Student	Parents
		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
<b>Tuition</b>		30,000.00			30,000.00
<b>Books</b>		560.00		560.00	-
<b>Room &amp; Board</b>		12,750.00	10,000.00		2,750.00
<b>Other Qualifying</b>		2,000.00			2,000.00
<b>Other Non-qualifying</b>		860.00			860.00
<b>Total</b>		46,170.00	10,000.00	560.00	35,610.00

Column C + Column D = Usable for Hope or Lifetime Learning Credits  
 Column D = Usable for Tuition Fees Deduction

## EDUCATIONAL EXPENSE WORKSHEET

Student	Institution	Total Amount	Amounts Paid By		
Jacqui	Cal Poly		3rd Party	Student	Parents
		A	B	C	D
<b>Tuition</b>		18,600.00	740.00		17,860.00
<b>Books</b>		650.00	650.00		-
<b>Room &amp; Board</b>		-		-	-
<b>Other Qualifying</b>					-
<b>Other Non-Qualifying</b>		1,110.00	1,110.00	-	-
<b>Total</b>		20,360.00	2,500.00		17,860.00

Column C + Column D = Usable for Hope or Lifetime Learning Credits  
 Column D = Usable for Tuition Fees Deduction

# Education Expense Optimization Report

## Tax Year 2008

<b>Tax Summary:</b>	Adjusted gross income .....	155,000
	Taxable income .....	126,600
	Tax before credits .....	24,338
	Nonrefundable credits .....	0
	Other taxes .....	0
	Total tax .....	24,338
	Less: Refundable credits (EIC + additional child tax credit + prior year minimum tax) .....	0
	Other payments .....	7,678
	Add: Estimated tax penalty, late penalties and interest .....	508
	Federal net due/-overpayment .....	17,168
	California net due/-overpayment .....	3,286
	Total net due/-overpayment .....	<u>20,454</u>
	Marginal tax rate:	
	Federal .....	25.000%
	California .....	9.300%

**Notes:** Students are not eligible for education credits due to AGI limits or insufficient tax liability.

	<u>Hope Credit</u>	<u>Lifetime Learning Credit</u>	<u>Tuition and Fees Deduction</u>
<b>Student Summary:</b> JOLYN SMITH			
133-22-4455			1,332 *
JACQUI SMITH			668 *
	<u>0</u>	<u>0</u>	<u>2,000 **</u>
<b>TOTALS</b>			

\* Optimized amount

\*\* Maximum amount allowed

Form **8917****Tuition and Fees Deduction**

OMB No. 1545-0074

**2008**Department of the Treasury  
Internal Revenue Service

▶ See Instructions.

▶ Attach to Form 1040 or Form 1040A.

Attachment  
Sequence No. **63**

Name(s) shown on return

**JOHN & JULIE SMITH**

Your social security number

**123-45-6789**

You **cannot** take both an education credit from Form 8863 and the tuition and fees deduction from this form for the **same student** for the same tax year.

- Before you begin:**
- ✓ To see if you qualify for this deduction, see Who Can Take the Deduction in the instructions below.
  - ✓ If you file Form 1040, figure any write-in adjustments to be entered on the dotted line next to Form 1040, line 36. See the 2008 Form 1040 instructions for line 36.

1	(a) Student's name (as shown on page 1 of your tax return)	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions)
	First name                      Last name		
	<b>JOLYN                              SMITH</b>	<b>133-22-4455</b>	<b>35,610</b>
	<b>JACQUI                              SMITH</b>	<b>333-22-4455</b>	<b>17,860</b>
<b>2</b>	Add the amounts on line 1, column (c), and enter the total .....		<b>53,470</b>
<b>3</b>	Enter the amount from Form 1040, line 22, or Form 1040A, line 15 .....	<b>157,000</b>	
<b>4</b>	Enter the total from either: ● Form 1040, lines 23 through 33, plus any write-in adjustments entered on the dotted line next to Form 1040, line 36, <b>or</b> ● Form 1040A, lines 16 through 18 .....		
<b>5</b>	Subtract line 4 from line 3.* If the result is more than \$80,000 (\$160,000 if married filing jointly) <input type="checkbox"/> <b>STOP</b> You cannot take the deduction for tuition and fees .....		<b>157,000</b>
*If you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from Puerto Rico, use Worksheet 6-1 in Pub. 970 to figure the amount to enter.			
<b>6</b>	<b>Tuition and fees deduction.</b> Is the amount on line 5 more than \$65,000 (\$130,000 if married filing jointly)? <input checked="" type="checkbox"/> <b>Yes.</b> Enter the <b>smaller</b> of line 2, or \$2,000. <input type="checkbox"/> <b>No.</b> Enter the <b>smaller</b> of line 2, or \$4,000.		<b>2,000</b>

**Also enter** this amount on Form 1040, line 34, or Form 1040A, line 19.



## Instructions for Student

An eligible educational institution, such as a college or university in which you are enrolled, and an insurer who makes reimbursements or refunds of qualified tuition and related expenses to you must furnish this statement to you. You, or the person who can claim you as a dependent, may be able to claim an education credit on Form 1040 or 1040A for the qualified tuition and related expenses that were actually paid in 2009. Institutions may report either payments received in box 1 or amounts billed in box 2. The amount shown in box 1 or 2 may represent an amount other than the amount actually paid in 2009. Your institution must include its name, address, and information contact telephone number on this statement. It may also include contact information for a service provider. Although the service provider may be able to answer certain questions about the statement, do not contact them or the filer for explanations of the requirements for (and how to figure) any education credit that you may claim. For more information about the credit, see Pub. 970, Tax Benefits for Education; Form 8863, Education Credits; and the Form 1040 or 1040A instructions.

**Account number.** May show an account or other unique number the filer assigned to distinguish your account.

**Box 1.** Shows the total payments received from any source for qualified tuition and related expenses less any related reimbursements or refunds.

**Box 2.** Shows the total amounts billed for qualified tuition and related expenses less any related reductions in charges.

**Box 3.** Shows whether your institution changed its method of reporting for 2009. It has changed its method of reporting if the method (payments received or amounts billed) used for 2009 is different than the reporting method used for 2008. You should be aware of this change in figuring your education credits. The credits are allowable only for amounts actually paid during the year and not amounts reported as billed, but not paid, during the year.

**Box 4.** Shows any adjustment made for a prior year for qualified tuition and related expenses that were reported on a prior year Form 1098-T. This amount may reduce any allowable education credit that you claimed for the prior year. See "recapture" in the index to Pub. 970 to report a reduction in your education credit or tuition and fees deduction.

**Box 5.** Shows the total of all scholarships or grants administered and processed by the eligible educational institution. The amount of scholarships or grants for the calendar year (including those not reported by the institution) may reduce the amount of the education credit you claim for the year.

**Box 6.** Shows adjustments to scholarships or grants for a prior year. This amount may affect the amount of any allowable tuition and fees deduction or education credit that you claimed for the prior year. You may have to file an amended income tax return (Form 1040X) for the prior year.

**Box 7.** Shows whether the amount in box 1 or 2 includes amounts for an academic period beginning January-March 2010. See Pub. 970 for how to report these amounts.

**Box 8.** Shows whether you are considered to be carrying at least one-half the normal full-time workload for your course of study at the reporting institution. If you are at least a half-time student for at least one academic period that begins during the year, you meet one of the requirements for the Hope credit. You do not have to meet the workload requirement to qualify for the lifetime learning credit.

**Box 9.** Shows whether you are considered to be enrolled in a program leading to a graduate degree, graduate-level certificate, or other recognized graduate-level educational credential. If you are enrolled in a graduate program, you are not eligible for the Hope credit, but you may qualify for the lifetime learning credit.

**Box 10.** Shows the total amount of reimbursements or refunds of qualified tuition and related expenses made by an insurer. The amount of reimbursements or refunds for the calendar year may reduce the amount of any education credit you can claim for the year.

CORRECTED (if checked)

PAYER'S/TRUSTEE'S name, street address, city, state, ZIP code, and telephone number		1 Gross distribution	OMB No. 1545-1760  <b>2009</b>  Form <b>1099-Q</b>	<p><b>Payments From Qualified Education Programs (Under Sections 529 and 530)</b></p> <p><b>Copy B For Recipient</b> This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.</p>
		\$		
2 Earnings				
\$				
PAYER'S/TRUSTEE'S federal identification no.	RECIPIENT'S social security number	3 Basis	4 Trustee-to-trustee transfer <input type="checkbox"/>	
RECIPIENT'S name	Street address (including apt. no.)	5 Check one:	6 If this box is checked, the recipient is not the designated beneficiary <input type="checkbox"/>	
City, state, and ZIP code		<ul style="list-style-type: none"> <li>• Qualified tuition program— Private <input type="checkbox"/> or State <input type="checkbox"/></li> <li>• Coverdell ESA <input type="checkbox"/></li> </ul>		
Account number (see instructions)		If an <b>FMV</b> amount is shown below, see <b>Pub. 970</b> , Tax Benefits for Education, for how to figure earnings.		

Form **1099-Q**

(keep for your records)

Department of the Treasury - Internal Revenue Service

## EDUCATIONAL EXPENSE WORKSHEET

Student	Institution	Total Amount	Amounts Paid By		
			3rd Party	Student	Parents
		A	B	C	D
<b>Tuition</b>					
<b>Books</b>					
<b>Room &amp; Board</b>					
<b>Other</b>					
<b>Total</b>					

Column C + Column D = Usable for Hope or Lifetime Learning Credits

Column D = Usable for Tuition Fees Deduction

Appendix D