

# U.S. Residents: **Graduate Students**

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Tax Year 2018

# Agenda

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> IRS Information and Your Responsibilities

> U.S. Resident Taxes

- 1098-T and Other Tax Forms
- Tax Credits and Taxable Income



# Important Information

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- > Deadline for filing tax return is Tuesday April 17, 2019
- > Standard deduction is \$12,000 for single and \$24,000 for married couples
- > No personal exemption in 2018 tax year
- > Only use 1040 Tax form. No 1040A or 1040EZ
- > Tuition and fees deduction expired in 2017 tax year



# What is the IRS?

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- > The Internal Revenue Service
- > The tax collection agency of the United States
- > Administers the Internal Revenue Code enacted by Congress
- > Mission Statement
  - Provide top quality service
  - Help taxpayers understand and meet tax responsibilities
  - Apply the tax law with integrity and fairness



# IRS Resources



## Great source for:

- Information about tax return preparation
- Tax forms and instructions
- IRS Publications



**www.irs.gov**

IRS Publication 970



**Individual Tax Help**

1-800-829-1040

## Help by phone:

- Hotline available to answer questions
- Helps with tax return preparation
- Most documents are easy to print



**IRS Seattle Office**

915 Second Ave (Downtown Seattle)  
32nd Floor, Federal Building

**Hours:**

Monday - Friday

8:30 am to 4:30 pm by appointment



# At Your Service

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## Taxpayer Advocate Service

[www.irs.gov/advocate](http://www.irs.gov/advocate)

(206) 946-3707

- > Serves taxpayers in Washington State
- > Helps if you have tried unsuccessfully to resolve a problem with the IRS
- > Offers special help to taxpayers experiencing a significant hardship due to their tax problems.



# At Your Service

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## UW Federal Tax Clinic

(206) 685-6805

- > Staffed by second -year, third-year, and post-graduate law students and volunteer attorneys
- > Helps taxpayers who do not already have tax representation in a **current dispute** and cannot afford representation
- > Assists taxpayers with IRS audits and other federal tax controversies
- > Services provided only to those whose income falls at or below a certain level (e.g., \$30,150 for a single person in 2018)
- > The LITC **does not prepare tax returns**



# Your Rights & Responsibilities

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## As a U.S. taxpayer you have the right to:

- > Know that your rights are protected
- > Privacy and confidentiality
- > Professional and courteous service
- > Representation
- > Pay only the **correct** amount of tax
- > Help with unresolved tax problems
- > Appeals and judicial review
- > Relief from **certain** penalties and interest





# Your Rights & Responsibilities

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## As a U.S. taxpayer you are responsible for:

- > Filing your federal income taxes every year
- > Filing your taxes on time
- > Complete the form accurately and sign it
- > Attach required documents and mail by April 15th
- > Paying the taxes due or making a payment plan arrangement with the IRS to pay over time
- > Participate in an audit if necessary
- > If you can't pay, failure to file your return only makes the situation **worse!**



# Who Has to File Taxes?

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## **You must file a federal tax return if you:**

- > Worked in the United States or received United States source income, and
- > The amount of gross income meets a certain threshold amount

If you have a Social Security Number (SSN), file using your SSN

If you do not have a Social Security Number, get an Individual Taxpayer Identification Number (ITIN) from the IRS and file using your ITIN



# What is United States Source Income?

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- > Residents of the United States get taxed on ALL worldwide income regardless of its source
- > Non-Residents get taxed ONLY on United States source income
- > Source depends on type of income
  - Wages are sourced where they are earned
  - Scholarships and grants are sourced where the payor of the funds resides



# What is NOT Included in Gross Income?



Scholarships, Fellowships, and Grants are **not** included in gross income if:

- > You are a degree candidate
- > Your money is for tuition, books, and supplies

**and**

- > The amounts you received were not payments to you for performance of services (for example, a wage for a part-time job)



# What is Included in Gross Income?

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- > Amounts received for living expenses are taxable
- > Amounts received as payment for services are taxable
  - Most stipends for services performed as an ASE (Academic Student Employee), regardless of the purpose for which these stipends are awarded, are fully taxable



# What is Included in Gross Income?

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## Other common forms of gross income

- > Interest and dividend income from savings and investments
- > Gambling winnings
- > Summer job abroad (if you are a U.S. resident)
- > Discharge of debt (there are exceptions)
- > Unemployment

**Beware! Just because the payor does not withhold taxes does not mean the income is not taxable**



# What is the Threshold Amount?

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You must file a federal tax return if:

- > You are a dependent of someone else, and you earned:
  - \$1,050 unearned income (e.g. interest, dividends)
  - \$12,000 of earned income (e.g. wages, compensation)
- > You are not a dependent, Single Filing Status, and you earned
  - \$12,000 any type of income (\$24,000 if Married Filing Joint)
  - \$400 of self-employed income

You are generally a dependent if you are:

- Under the age of 24
- A full-time student, and
- Receiving more than half support from a U.S. taxpayer



# Standard Deduction of \$12,000 for single filer

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- > An amount you will subtract from your gross income before you calculate your taxes
- > Taxpayers can do itemized deductions if they have more expenses, like mortgage interest or property tax
- > If you cannot do the itemized deduction, the IRS gives you a standard deduction amount

✓ **You can use the standard deduction whether you are a dependent or not!**





# What are Tax Credits or Deductions?

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A ***Credit*** is an amount that you ***subtract from your Tax*** (which is computed based on Taxable Income) to determine how much Tax you actually owe

A ***Deduction*** is an amount that you ***subtract from Gross Income*** in order to calculate Taxable income



# What are Tax Credits or Deductions?

## Example of a Deduction:

Wages	3,000
Gambling Winnings!	<u>1,000</u>
Gross Income	4,000
<b>(Less Deduction)</b>	<b><u>250</u></b>
Taxable Income	3,750
Tax Percentage	<u>10%</u>
Tax	375
<b><i>Tax Owed</i></b>	<b><i>375</i></b>

## Example of a Credit:

Wages	3,000
Gambling Winnings!	<u>1,000</u>
Gross Income	4,000
Taxable Income	4,000
Tax Percentage	<u>10%</u>
Tax	400
<b>(Less Credit)</b>	<b><u>250</u></b>
<b><i>Tax Owed</i></b>	<b><i>150</i></b>

**Note that the \$250 Credit is**  
**far more valuable to this student!**



# Lifetime Learning Tax Credit

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## **For students enrolled in graduate or any fee based programs**

- > For any type of post-secondary education, including classes taken to improve or acquire job skills
- > For an unlimited number of years
- > Equal to 20% of the first \$10,000 of qualified expenses (maximum \$2,000) paid in 2018



# When you CAN claim a Tax Credit

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- > If you pay qualified education expenses
- > For Lifetime Learning: your Modified Adjusted Gross Income is **under** \$67,000 for single person or **under** \$134,000 if you file a joint return
- > To claim a credit, use tax form 1040
- > To calculate the tax credit, use form 8863



# When you CANNOT claim a Tax Credit

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- > If your filing status is married filing separately
- > You are listed as a dependent in the exemptions section on another person's tax return
- > You or your spouse was a Non-Resident Alien for any part of 2018 and the non-resident did not elect to be treated as a resident for tax purposes
- > For the Lifetime Learning: your income is **over** \$67,000 for single and **over** \$134,000 for married-joint return



# Qualified Education Expenses – Lifetime Learning

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> Per IRS regulations, qualified education expenses are:

- Tuition and fees required for enrollment
- Course related books
- Supplies
- Equipment needed for a course of study

**\*\*Only** if required to be paid as a condition of enrollment or attendance



# Qualified Education Expenses

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## **Do NOT include:**

- > Insurance
- > Medical Expenses (including student health fees)
- > Transportation (Upass)
- > Room & Board
- > Athletic Fees



# Departmental Scholarships, Fellowships and Grants

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**A scholarship or fellowship is tax free when:**

> the money is paying for qualified education expenses

**AND**

> the student is working towards a degree





# Prizes, Awards and Stipends to U.S. Citizens & Resident Students

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1. The money will affect student's financial aid status and can affect a student's tax credit
  - When departments award money onto the student tuition account, UW does not withhold taxes at that time, but the payment may be taxable
2. When departments award money in the student account system, the Financial Aid Office will receive all the income information to determine the needs of students when they apply for financial aid
3. Prizes, awards, and stipends are taxable income



# 1098T Form (prepared by UW)

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## For the Lifetime Learning Credit:

- > UW generates a 1098T form to all UW and PCE students. On-line printing available from website:

<http://finance.uw.edu/sfs/tax>

- > Summarizes all the tuition and related expenses in Box 1
- > Summarizes scholarship, fellowship and financial aid grant in Box 5
- > Helps students determine if they qualify for tax credit or if the scholarship and grant aid money is taxable
- > Non-Resident Alien Students do not qualify and will not receive the 1098T form



# 1098T Form (prepared by UW)

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UW reports tuition charges plus scholarships and financial aid grants to the IRS

## Information on the form:

- > Box 1 – total of qualified tuition and related expenses
- > Box 5 – total of scholarship or financial aid grants

## When comparing box 1 to box 5:

- > If **box 1** total is **greater** than **box 5** total, student may qualify for a **tax credit**
- > If **box 5** total is **greater** than the **box 1** total, student will have to report the difference in the amount as **income**



For a no-hassle,  
paperless, environmentally  
friendly 1098T, sign up to  
**“Opt Out”**  
of receiving the paper  
1098T form

**Student Fiscal Services will  
send you an email as soon  
as the 1098T is on your  
MyUW page!**

Student Tax Information

UNIVERSITY of WASHINGTON

HOME / TUITION & FEES / SCHOLARSHIPS & TAXES / LOANS & RECEIVABLES / UW DEPTS / RESOURCES / CONTACT

## Student Fiscal Services

Scholarships & Taxes

- Private Scholarships
- Scholarships and Sponsors
- Student Tax Information
- Canadian Tax Information
- Education Tax Credits
- Employees' Tuition Exemption Tax Withholding
- NRA Students Federal Tax Information

### Student Tax Information

#### ALERT - IRS SCAM PHONE CALLS

The IRS will not call and threaten you with arrest, require payment of taxes in a certain way, or request credit or debit card information over the phone.

If you actually become a victim of such a scam on our campus, please file a non-emergency police report with the UWPD, by calling 206-685-UWPD (8973). If you have further questions, please contact the UWPD Community Outreach Unit at 206-616-0873.

Student Fiscal Services monitors student tax information at the University of Washington. This information includes data for use in claiming educational tax credits and deductions that you have paid for tuition and fees. In addition, the UW provides information to help you determine if your scholarships, fellowships, grants or tuition reductions are taxable.

The UW cannot provide individual tax advice. If you have questions, you should consult your tax advisor.

**1098-T TAX FORM**

**NEED HELP?**


Address:

For more information go to:  
**<http://finance.uw.edu/sfs/tax>**



# UW 1098T Form

## American Opportunity or Lifetime Learning Tax Credits

 **UNIVERSITY OF WASHINGTON**  
Educational Tax Credits Report  
IRS Form 1098-T and UW Information Statement - Tax Year 2018

1/28/19

If you have any questions regarding this report, please contact Student Fiscal Services via email at [taxrequest@u.washington.edu](mailto:taxrequest@u.washington.edu) or call 206-221-2609, 9-5 Pacific Time Monday through Friday. See reverse page for additional information.

University of Washington  
Student Fiscal Services  
Box 355871, Seattle WA 98195

UW IRS Identification Number: 91-6001537

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**INFORMATION SUBMITTED TO THE IRS**  
*The following information is being sent to the IRS. Box numbers correspond to IRS form 1098-T, also called the "Tuition Statement". Any box number listed should be considered to have a zero dollar amount.*

Box 1 : Payments for qualified tuition & related expenses...	\$39,228.00
Box 3 : Reporting method has changed for 2018.....	Yes
Box 5 : Scholarships or grants.....	\$0.00
Box 7 : Expenses include an amount for 2019.....	No
Box 8 : Student is at least half-time.....	Yes
Box 9 : Student is a graduate student.....	No

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**DETAIL OF CHARGES AND FINANCIAL ASSISTANCE RECEIVED**  
*The following itemized information is NOT being sent to the IRS. Federal legislation requires reporting Qualified Tuition and Related Expenses (QTRFE) payments received in Box 1 of the 1098-T IRS tax Form, rather than reporting the amount billed in Box 2 as the University has traditionally done. The University of Washington has implemented this change for the tax year ending December 31, 2018.*

**QUALIFIED TUITION and RELATED EXPENSES PAID IN 2018**


Charged	Transaction	Expense	Paid
12/27/17	WINTER 2018 TUITION	11,762.00	11,762.00
	REGULAR COURSE FEES	65.00	65.00
1/03/18	TUITION - CREDIT HR SURCHARGE	3,447.00	3,447.00
3/21/18	SPRING 2018 TUITION	11,762.00	11,762.00
	REGULAR COURSE FEES	40.00	40.00
8/29/18	AUTUMN 2018 TUITION	12,112.00	12,112.00
	REGULAR COURSE FEES	40.00	40.00
	<b>TOTAL:</b>	<b>39,228.00</b>	<b>39,228.00</b>

Box 1	\$ 39,228.00
Box 5	- \$ 0.00
Difference	<b>\$ 39,228.00</b>

Claim one of the credits:  
American Opportunity is \$2,500  
Lifetime Learning is \$2,000



# UW 1098T Form

 **UNIVERSITY OF WASHINGTON**  
**Educational Tax Credits Report**  
IRS Form 1098-T and UW Information Statement - Tax Year 2018

1/24/19

If you have any questions regarding this report, please contact Student Fiscal Services via email at [taxquest@u.washington.edu](mailto:taxquest@u.washington.edu) or call 206-221-2609, 9-5 Pacific Time Monday through Friday. See reverse page for additional information.

University of Washington  
Student Fiscal Services  
Box 355871, Seattle WA 98195

UW IRS Identification Number: 91-6001537

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**INFORMATION SUBMITTED TO THE IRS**  
*The following information is being sent to the IRS. Box numbers correspond to IRS form 1098-T, also called the "Tuition Statement". Any box listed should be considered to have a zero dollar amount.*

Box 1 : Payments for qualified tuition & related expenses... \$23,610.00  
Box 3 : Reporting method has changed for 2018..... Yes  
Box 5 : Scholarships or grants..... \$2,000.00  
Box 7 : Expenses include an amount for 2019..... No  
Box 8 : Student is at least half-time..... Yes  
Box 9 : Student is a graduate student..... No

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**DETAIL OF CHARGES AND FINANCIAL ASSISTANCE RECEIVED**  
*The following itemized information is NOT being sent to the IRS. Federal legislation requires reporting Qualified Tuition and Related Expenses payments received in Box 1 of the 1098-T IRS tax Form, rather than reporting the amount billed in Box 2 as the University has traditionally done. University of Washington has implemented this change for the tax year ending December 31, 2018.*

**QUALIFIED TUITION and RELATED EXPENSES PAID IN 2018**

Charged	Transaction	Expense	Paid
12/27/17	WINTER 2018 TUITION	11,762.00	11,762.00
	REGULAR COURSE FEES	43.00	43.00
3/21/18	SPRING 2018 TUITION	11,762.00	11,762.00
	REGULAR COURSE FEES	43.00	43.00
	<b>TOTAL:</b>	<b>23,610.00</b>	<b>23,610.00</b>

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**SCHOLARSHIPS OR GRANTS RECEIVED IN 2018**


Date	Transaction	Grant Aid	Total
12/27/17	BUILDING CONSTRUCTION MISC	1,000.00	
3/21/18	BUILDING CONSTRUCTION MISC	1,000.00	2,000.00

Box 1                      \$ 23,610.00  
Box 5                      - \$ 2,000.00  
Difference                \$ 21,610.00

Can claim either American  
Opportunity or Life Time  
Learning Tax Credit



# UW 1098T Form – Scholarship Income



**UNIVERSITY OF WASHINGTON**  
**Educational Tax Credits Report**  
**IRS Form 1098-T and UW Information Statement – Tax Year 2018**

1/19/19

If you have any questions regarding this report, please contact Student Fiscal Services via email at [taxquest@u.washington.edu](mailto:taxquest@u.washington.edu) or call 206-221-2609, 9-5 Pacific Time Monday through Friday. See reverse page for additional information.

University of Washington  
 Student Fiscal Services  
 Box 355871, Seattle WA 98195

UW IRS Identification Number: 91-6001537

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**INFORMATION SUBMITTED TO THE IRS**

The following information is being sent to the IRS. Box numbers correspond to IRS form 1098-T, also called the "Tuition Statement". Any box number not listed should be considered to have a zero dollar amount.

Box 1 : Payments for qualified tuition & related expenses...	\$10,435.00
Box 3 : Reporting method has changed for 2018.....	Yes
Box 5 : Scholarships or grants.....	\$25,320.00
Box 7 : Expenses include an amount for 2019.....	No
Box 8 : Student is at least half-time.....	Yes
Box 9 : Student is a graduate student.....	No

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**DETAIL OF CHARGES AND FINANCIAL ASSISTANCE RECEIVED**

The following itemized information is NOT being sent to the IRS. Federal legislation requires reporting Qualified Tuition and Related Expenses (QTRIE) payments received in Box 1 of the 1098-T IRS tax Form, rather than reporting the amount billed in Box 2 as the University has traditionally done. The University of Washington has implemented this change for the tax year ending December 31, 2018.

**QUALIFIED TUITION and RELATED EXPENSES PAID IN 2018**

Charged	Transaction	Expense	Paid
12/27/17	WINTER 2018 TUITION	3,574.00	3,574.00
3/21/18	SPRING 2018 TUITION	3,574.00	3,574.00
10/01/18	AUTUMN 2018 TUITION	3,287.00	3,287.00
	<b>TOTAL:</b>	<b>10,435.00</b>	<b>10,435.00</b>

**SCHOLARSHIPS OR GRANTS RECEIVED IN 2018**

Date	Transaction	Grant Aid	Total
12/27/17	UNDERGRAD TUITION EXEMPTION	1,447.00	
	RON/WANDA CROCKETT DIVERSITY	3,333.00	
	STATE NEED GRANT	2,070.00	
	FEDERAL SUPPLEMENTAL GRANT	100.00	
	FEDERAL PELL GRANT	990.00	
3/21/18	UNDERGRAD TUITION EXEMPTION	1,447.00	
	RON/WANDA CROCKETT DIVERSITY	1,206.00	
	STATE NEED GRANT	1,985.00	
	FEDERAL SUPPLEMENTAL GRANT	100.00	
	FEDERAL PELL GRANT	990.00	
4/10/18	FOUNDATIONS PPD SCHOLARSHIPS	166.00	
	RON/WANDA CROCKETT DIVERSITY	2,045.00	
4/16/18	RON/WANDA CROCKETT DIVERSITY	82.00	
	STATE NEED GRANT	84.00	
9/19/18	FOUNDATIONS PPD SCHOLARSHIPS	1,500.00	
10/10/18	UNDERGRAD TUITION EXEMPTION	88.00	
	COSTCO DIVERSITY SCHOLAR	1,783.00	
	COSTCO DIVERSITY SCHOLAR	1,851.00	
	STATE NEED GRANT	2,112.00	
	COLLEGE BOUND	1,059.00	
	FEDERAL SUPPLEMENTAL GRANT	100.00	
	FEDERAL PELL GRANT	1,082.00	25,320.00

Box 1	\$ 10,435.00
Box 5	- \$ 25,320.00
Difference	- \$ 14,885.00
Extra scholarship funds to report as income <span style="color: red;">\$ 14,885.00</span>	





# 1098T Form – Stipend



## UNIVERSITY OF WASHINGTON Educational Tax Credits Report

IRS Form 1098-T and UW Information Statement - Tax Year 2018

1/25/19

If you have any questions regarding this report, please contact Student Fiscal Services via email at [taxquest@u.washington.edu](mailto:taxquest@u.washington.edu) or call 206-221-2600, 9-5 Pacific Time Monday through Friday. See reverse page for additional information.

University of Washington  
Student Fiscal Services  
Box 355871, Seattle WA 98195

UW IRS Identification Number: 91-6001537

### INFORMATION SUBMITTED TO THE IRS

The following information is being sent to the IRS. Box numbers correspond to IRS form 1098-T, also called the "Tuition Statement". Any box number not listed should be considered to have a zero dollar amount.

Box 1 : Payments for qualified tuition & related expenses...	\$35,333.00
Box 3 : Reporting method has changed for 2018.....	Yes
Box 5 : Scholarships or grants.....	\$45,599.50
Box 7 : Expenses include an amount for 2019.....	No
Box 8 : Student is at least half-time.....	Yes
Box 9 : Student is a graduate student.....	Yes

### DETAIL OF CHARGES AND FINANCIAL ASSISTANCE RECEIVED

The following itemized information is NOT being sent to the IRS. Federal legislation requires reporting Qualified Tuition and Related Expenses (OTRE) payments received in Box 1 of the 1098-T IRS tax Form, rather than reporting the amount billed in Box 2 as the University has traditionally done. The University of Washington has implemented this change for the tax year ending December 31, 2018.

#### QUALIFIED TUITION and RELATED EXPENSES PAID IN 2018

Changed	Transaction	Expense	Paid
12/27/17	WINTER 2018 TUITION	10,523.00	10,523.00
3/21/18	SPRING 2018 TUITION	10,523.00	10,523.00
7/06/18	SUMMER 2018 TUITION	3,008.00	3,008.00
	SUMMER 2018 TUITION FORFEITURE	751.00	751.00
9/17/18	AUTUMN 2018 TUITION	10,528.00	10,528.00
	<b>TOTAL:</b>	<b>35,333.00</b>	<b>35,333.00</b>

#### SCHOLARSHIPS OR GRANTS RECEIVED IN 2018

Date	Transaction	Grant Aid	Total
1/16/18	GRADUATE SERVICE APPT. WAIVER	178.00	
	GRAD SERV APPTMNT NONRES EXMPT	4,332.00	
	GRADUATE SERVICE APPT. WAIVER	5,742.00	
	UW FUNDS TECH FEE	38.00	
3/21/18	GRADUATE SERVICE APPT. WAIVER	177.00	
	GRAD SERV APPTMNT NONRES EXMPT	4,332.00	
4/26/18	GRAD SERV APPTMNT EXEMPTION	997.09	
	GRADUATE SERVICE APPT. WAIVER	4,783.91	
7/06/18	TARA SERV APPTMNT NONRES EXMPT	1,546.00	
7/19/18	TUITION FORF. PETITION SEATTLE	751.00	
	CANCER PREVENTION T32	1,448.42	
	UW FUNDS TECH FEE	19.58	
9/19/18	CANCER PREVENTION T32	5,742.00	
9/21/18	TARA SERV APPTMNT NONRES EXMPT	4,332.00	
9/25/18	UW FUNDS TECH FEE	38.00	
12/31/18	STIPEND PAID VIA PAYROLL	11,148.50	45,599.50

## Stipend Paid via Payroll

No taxes withheld from the payroll office - may increase tax liability

Box 1	\$ 35,333.00
Box 5	- \$ 45,599.50
Difference	- \$ 10,266.50

Extra scholarship funds to report as income **\$ 10,266.50**





# Deductible Student Loan Interest

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Your student loan interest may be deductible up to \$2,500 per year

Some restrictions apply:

- > You are not claimed as a dependent by someone else
- > Your AGI does not exceed \$80,000  
(\$165,000 for married filing jointly)
- > Deduction is reduced when income exceeds \$65,000  
(\$135,000 for married filing jointly)
- > You are legally liable for the loan



# Earned Income Credit



## “Refundable” Credit

- > You may receive a refund even if you did not pay taxes!

## How to qualify

- > Must have Earned Income
- > Must be a U.S. Resident
- > Must either have one or more qualifying children **or** be 25 years of age
- > Meet the income threshold. Cannot have investment income of more than \$3,500



# Earned Income Credit

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## Earned income includes:

- > Wages from employment
- > Scholarship or fellowship reported on a W-2

**Amount of credit varies depending upon your filing status, income and number of kids**

## Income ceilings for Married filing Joint

- > More than Two Qualifying Children - \$54,884
- > Two Qualifying Children - \$51,492
- > Only One Qualifying Child - \$46,010
- > No Qualifying Child & over age 25 - \$20,950



# Additional Dependent Issues

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Issues can arise with divorced parents with dependent children

Generally, the parent who has custody of the child can claim the Dependent Deduction

“Custodial parent” may give up that right by signing a Form 8332



# IRS Form 1040

<b>Form 1040</b> Department of the Treasury—Internal Revenue Service (99) <b>2018</b>		OMB No. 1545-0074		IRS Use Only—Do not write or staple in this space.	
Filing status: <input type="checkbox"/> Single <input type="checkbox"/> Married filing jointly <input type="checkbox"/> Married filing separately <input type="checkbox"/> Head of household <input type="checkbox"/> Qualifying widow(er)					
Your first name and initial		Last name		Your social security number	
Your standard deduction: <input type="checkbox"/> Someone can claim you as a dependent <input type="checkbox"/> You were born before January 2, 1954 <input type="checkbox"/> You are blind					
If joint return, spouse's first name and initial		Last name		Spouse's social security number	
Spouse standard deduction: <input type="checkbox"/> Someone can claim your spouse as a dependent <input type="checkbox"/> Spouse was born before January 2, 1954				<input type="checkbox"/> Full-year health care coverage or exempt (see inst.)	
<input type="checkbox"/> Spouse is blind <input type="checkbox"/> Spouse itemizes on a separate return or you were dual-status alien					
Home address (number and street). If you have a P.O. box, see instructions.				Apt. no.	Presidential Election Campaign (see inst.) <input type="checkbox"/> You <input type="checkbox"/> Spouse
City, town or post office, state, and ZIP code. If you have a foreign address, attach Schedule 6.					If more than four dependents, see inst. and ✓ here <input type="checkbox"/>
<b>Dependents (see instructions):</b>					
(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see inst.):	
				Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
<b>Sign Here</b> Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.					
Your signature		Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)	
Spouse's signature. If a joint return, <b>both</b> must sign.		Date	Spouse's occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)	
Preparer's name		Preparer's signature	PTIN	Firm's EIN	Check if:
Firm's name ▶		Phone no.		<input type="checkbox"/> 3rd Party Designee <input type="checkbox"/> Self-employed	
Firm's address ▶					
For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.					
Cat. No. 11320B				Form <b>1040</b> (2018)	



# IRS Form 1040 – Back

Form 1040 (2018) Page **2**

Attach Form(s) W-2. Also attach Form(s) W-2G and 1099-R if tax was withheld.

<b>1</b>	Wages, salaries, tips, etc. Attach Form(s) W-2	<b>1</b>	
<b>2a</b>	Tax-exempt interest	<b>2a</b>	
<b>3a</b>	Qualified dividends	<b>3a</b>	
<b>4a</b>	IRAs, pensions, and annuities	<b>4a</b>	
<b>5a</b>	Social security benefits	<b>5a</b>	
<b>6</b>	Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22	<b>6</b>	
<b>7</b>	Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise, subtract Schedule 1, line 36, from line 6	<b>7</b>	
<b>8</b>	<b>Standard deduction or itemized deductions</b> (from Schedule A)	<b>8</b>	
<b>9</b>	Qualified business income deduction (see instructions)	<b>9</b>	
<b>10</b>	Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-	<b>10</b>	
<b>11</b>	<b>a</b> Tax (see inst.) (check if any from: <b>1</b> <input type="checkbox"/> Form(s) 8814 <b>2</b> <input type="checkbox"/> Form 4972 <b>3</b> <input type="checkbox"/> )	<b>11</b>	
<b>12</b>	<b>b</b> Add any amount from Schedule 2 and check here <input type="checkbox"/>	<b>12</b>	
<b>13</b>	<b>a</b> Child tax credit/credit for other dependents <b>b</b> Add any amount from Schedule 3 and check here <input type="checkbox"/>	<b>13</b>	
<b>14</b>	Subtract line 12 from line 11. If zero or less, enter -0-	<b>14</b>	
<b>15</b>	Other taxes. Attach Schedule 4	<b>15</b>	
<b>16</b>	Total tax. Add lines 13 and 14	<b>16</b>	
<b>17</b>	Federal income tax withheld from Forms W-2 and 1099	<b>17</b>	
<b>18</b>	Refundable credits: <b>a</b> EIC (see inst.) <b>b</b> Sch. 8812 <b>c</b> Form 8863	<b>18</b>	
<b>19</b>	Add any amount from Schedule 5	<b>19</b>	
<b>20a</b>	Add lines 16 and 17. These are your total payments	<b>20a</b>	
<b>21</b>	If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you <b>overpaid</b>	<b>21</b>	
<b>22</b>	Amount of line 19 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>22</b>	
<b>23</b>	<b>a</b> Routing number <b>b</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	<b>23</b>	
<b>24</b>	<b>c</b> Account number	<b>24</b>	
<b>25</b>	Amount of line 19 you want <b>applied to your 2019 estimated tax</b>	<b>25</b>	
<b>26</b>	<b>Amount you owe</b> . Subtract line 18 from line 15. For details on how to pay, see instructions	<b>26</b>	
<b>27</b>	Estimated tax penalty (see instructions)	<b>27</b>	

Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.

Form **1040** (2018)

To report scholarship income:

Line 1 “sch”



# IRS Form 1040 – Back

Form 1040 (2018) Page **2**

Attach Form(s) W-2. Also attach Form(s) W-2G and 1099-R if tax was withheld.

<b>1</b>	Wages, salaries, tips, etc. Attach Form(s) W-2	<b>1</b>	
<b>2a</b>	Tax-exempt interest	<b>2a</b>	
<b>3a</b>	Qualified dividends	<b>3a</b>	
<b>4a</b>	IRAs, pensions, and annuities	<b>4a</b>	
<b>5a</b>	Social security benefits	<b>5a</b>	
<b>6</b>	Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22	<b>6</b>	
<b>7</b>	Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise, subtract Schedule 1, line 36, from line 6	<b>7</b>	
<b>8</b>	<b>Standard deduction or itemized deductions</b> (from Schedule A)	<b>8</b>	
<b>9</b>	Qualified business income deduction (see instructions)	<b>9</b>	
<b>10</b>	Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-	<b>10</b>	
<b>11</b>	<b>a</b> Tax (see inst.) (check if any from: <b>1</b> <input type="checkbox"/> Form(s) 8814 <b>2</b> <input type="checkbox"/> Form 4972 <b>3</b> <input type="checkbox"/> )	<b>11</b>	
<b>12</b>	<b>b</b> Add any amount from Schedule 2 and check here <input type="checkbox"/>	<b>12</b>	
<b>13</b>	<b>a</b> Child tax credit/credit for other dependents <b>b</b> Add any amount from Schedule 3 and check here <input type="checkbox"/>	<b>13</b>	
<b>14</b>	Subtract line 12 from line 11. If zero or less, enter -0-	<b>14</b>	
<b>15</b>	Other taxes. Attach Schedule 4	<b>15</b>	
<b>16</b>	Total tax. Add lines 13 and 14	<b>16</b>	
<b>17</b>	Federal income tax withheld from Forms W-2 and 1099	<b>17</b>	
<b>18</b>	Refundable credits: <b>a</b> EIC (see inst.) <b>b</b> Sch. 8812 <b>c</b> Form 8863	<b>18</b>	
<b>19</b>	Add any amount from Schedule 5	<b>19</b>	
<b>20a</b>	Add lines 16 and 17. These are your total payments	<b>20a</b>	
<b>21</b>	If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you <b>overpaid</b>	<b>21</b>	
<b>22a</b>	Amount of line 19 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>22a</b>	
<b>23a</b>	Routing number	<b>23a</b>	
<b>23b</b>	Account number	<b>23b</b>	
<b>24</b>	Amount of line 19 you want <b>applied to your 2019 estimated tax</b>	<b>24</b>	
<b>25</b>	<b>Amount you owe</b> . Subtract line 18 from line 15. For details on how to pay, see instructions	<b>25</b>	
<b>26</b>	Estimated tax penalty (see instructions)	<b>26</b>	

Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.

Form **1040** (2018)

**Line 17 C**  
To report tax credits from form 8863





# IRS Form 8863 to Calculate Tax Credit

**Form 8863** **Education Credits**  
(American Opportunity and Lifetime Learning Credits)  
OMB No. 1545-0074  
2018  
Attachment Sequence No. 50

Department of the Treasury  
Internal Revenue Service (IRS)  
Name(s) shown on return

Go to [www.irs.gov/Form8863](http://www.irs.gov/Form8863) for instructions and the latest information.

Your social security number

**CAUTION** 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

2 Enter: \$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er)

3 Enter the amount from Form 1040, line 7. If you're filing Form 2555, 2555-EZ, or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter

4 Subtract line 3 from line 2. If zero or less, stop; you can't take any education credit

5 Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)

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

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 ☐

8 **Refundable American opportunity credit.** Multiply line 7 by 40% (0.40). Enter the amount here and on Form 1040, line 17c. Then go to line 9 below

**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)

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

11 Enter the smaller of line 10 or \$10,000

12 Multiply line 11 by 20% (0.20)

13 Enter: \$134,000 if married filing jointly; \$67,000 if single, head of household, or qualifying widow(er)

14 Enter the amount from Form 1040, line 7. If you're filing Form 2555, 2555-EZ, or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter

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

16 Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)

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)

18 Multiply line 12 by line 17. Enter here and on line 1 of the Credit Limit Worksheet (see instructions)

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 50

For Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 35279M Form 8863 (2018)

Form 8863 (2018) Page 2  
Name(s) shown on return: Your social security number

**CAUTION** Complete Part III for each student for whom you're claiming either the American opportunity credit or lifetime learning credit. Use additional copies of page 2 as needed for each student.

**Part III Student and Educational Institution Information.** See instructions.

20 Student name (as shown on page 1 of your tax return)

21 Student social security number (as shown on page 1 of your tax return)

22 Educational institution information (see instructions)

a. Name of first educational institution

b. Name of second educational institution (if any)

(1) Address, number and street (or P.O. box), city, town or post office, state, and ZIP code. If a foreign address, see instructions.

(2) Did the student receive Form 1098-T from this institution for 2018? ☐ Yes ☐ No

(3) Did the student receive Form 1098-T from this institution for 2017 with box 2 filled in and box 7 checked? ☐ Yes ☐ No

(4) Enter the institution's employer identification number (EIN) if you're claiming the American opportunity credit or if you checked "Yes" in (2) or (3). You can get the EIN from Form 1098-T or from the institution.

23 Has the Hope Scholarship Credit or American opportunity credit been claimed for this student for any 4 tax years before 2018? ☐ Yes - Stop! Go to line 31 for this student. ☐ No - Go to line 24.

24 Was the student enrolled at least half-time for at least one academic period that began or is treated as having begun in 2018 at an eligible educational institution in a program leading towards a postsecondary degree, certificate, or other recognized postsecondary educational credential? See instructions. ☐ Yes - Go to line 25. ☐ No - Stop! Go to line 31 for this student.

25 Did the student complete the first 4 years of postsecondary education before 2018? See instructions. ☐ Yes - Stop! Go to line 31 for this student. ☐ No - Go to line 26.

26 Was the student convicted, before the end of 2018, of a felony for possession or distribution of a controlled substance? ☐ Yes - Stop! Go to line 31 for this student. ☐ No - Complete lines 27 through 30 for this student.

**CAUTION** You can't take the American opportunity credit and the lifetime learning credit for the same student in the same year. If you complete lines 27 through 30 for this student, don't complete line 31.

**American Opportunity Credit**

27 Adjusted qualified education expenses (see instructions). Don't enter more than \$4,000

28 Subtract \$2,000 from line 27. If zero or less, enter -0-

29 Multiply line 28 by 25% (0.25)

30 If line 28 is zero, enter the amount from line 27. Otherwise, add \$2,000 to the amount on line 29 and enter the result. Skip line 31. Include the total of all amounts from all Parts III, line 30, on Part I, line 1.

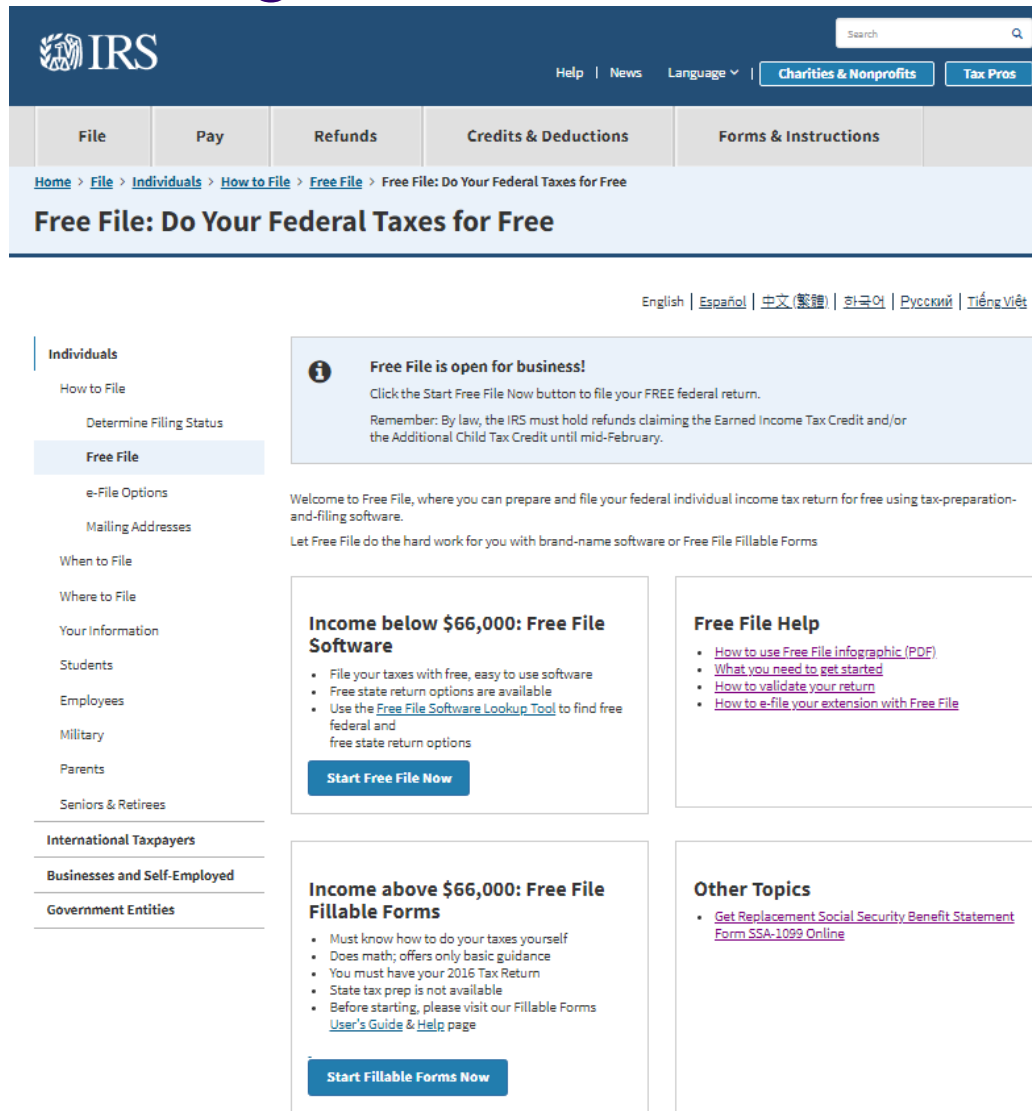
**Lifetime Learning Credit**

31 Adjusted qualified education expenses (see instructions). Include the total of all amounts from all Parts III, line 31, on Part II, line 10

Form 8863 (2018)



# Electronic Filing



The screenshot shows the IRS website's 'Free File' section. At the top is the IRS logo and a navigation bar with links for Help, News, Language, Charities & Nonprofits, and Tax Pros. Below this is a main navigation bar with links for File, Pay, Refunds, Credits & Deductions, and Forms & Instructions. The main heading is 'Free File: Do Your Federal Taxes for Free'. A sidebar on the left lists various options for individuals, including 'Free File' which is highlighted. The main content area features a banner stating 'Free File is open for business!' with instructions to click the 'Start Free File Now' button. Below this, there are four boxes: 'Income below \$66,000: Free File Software' with a list of bullet points and a 'Start Free File Now' button; 'Free File Help' with a list of links; 'Income above \$66,000: Free File Fillable Forms' with a list of bullet points and a 'Start Fillable Forms Now' button; and 'Other Topics' with a link to 'Get Replacement Social Security Benefit Statement Form SSA-1099 Online'.

IRS

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Help | News | Language | Charities & Nonprofits | Tax Pros

File | Pay | Refunds | Credits & Deductions | Forms & Instructions

Home > File > Individuals > How to File > Free File > Free File: Do Your Federal Taxes for Free

## Free File: Do Your Federal Taxes for Free

English | Español | 中文(繁體) | 한국어 | Русский | Tiếng Việt

**Individuals**

- How to File
- Determine Filing Status
- Free File**
- e-File Options
- Mailing Addresses
- When to File
- Where to File
- Your Information
- Students
- Employees
- Military
- Parents
- Seniors & Retirees

**International Taxpayers**

**Businesses and Self-Employed**

**Government Entities**

**Free File is open for business!**

Click the Start Free File Now button to file your FREE federal return.

Remember: By law, the IRS must hold refunds claiming the Earned Income Tax Credit and/or the Additional Child Tax Credit until mid-February.

Welcome to Free File, where you can prepare and file your federal individual income tax return for free using tax-preparation-and-filing software.

Let Free File do the hard work for you with brand-name software or Free File Fillable Forms

### Income below \$66,000: Free File Software

- File your taxes with free, easy to use software
- Free state return options are available
- Use the [Free File Software Lookup Tool](#) to find free federal and free state return options

**Start Free File Now**

### Free File Help

- [How to use Free File infographic \(PDF\)](#)
- [What you need to get started](#)
- [How to validate your return](#)
- [How to e-file your extension with Free File](#)

### Income above \$66,000: Free File Fillable Forms

- Must know how to do your taxes yourself
- Does math; offers only basic guidance
- You must have your 2016 Tax Return
- State tax prep is not available
- Before starting, please visit our Fillable Forms [User's Guide](#) & [Help](#) page

**Start Fillable Forms Now**

### Other Topics

- [Get Replacement Social Security Benefit Statement Form SSA-1099 Online](#)



# To Get Help With Tax Questions

---

## IRS Office – In Person

**915 Second Ave (Downtown Seattle)**

**32<sup>nd</sup> Floor, Federal Building**

Monday – Friday

8:30am to 4:30pm by appointment only

**Individual Tax Help Phone Number:  
1-800-829-1040**



# On-Campus Tax Help

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Free tax help--- file your tax return by United Way of King County VITA site & the Foster School of Business

## **Ground Floor of Mackenzie Hall**

January 15 – April 19

Monday & Wednesday: 4 pm – 7 pm

Friday: 12 pm – 3 pm

<https://www.uwkc.org/need-help/tax-help/>



# Local Resources

## **Central Library at 1000 Fourth Ave.**

Jan. 15 through April 18

Noon - 7 p.m. Monday - Thursday

Noon - 4 p.m. Friday

11 a.m. - 5 p.m. Saturday

1 p.m. - 5 p.m. Sunday

## **Ballard Branch at 5614 22nd Ave. N.W.**

Feb. 4 through April 15

2:30 p.m. - 7 p.m. Monday

10:30 a.m. - 4 p.m. Thursday

## **Queen Anne Branch at 400 W. Garfield St.**

Feb. 6 through April 13

11 a.m. - 3 p.m. Wednesday and Saturday

**National VITA Site Number:**

**1-800-906-9887**

**Free Tax Help at Seattle  
Public Libraries.**

**For more times and locations,  
please visit:**

**[www.spl.org](http://www.spl.org)**



To contact student fiscal service by phone or email, you need to provide your **student ID number**.



## Student account questions?

Send email to: [taxquest@uw.edu](mailto:taxquest@uw.edu)



## Student Fiscal Services

206-543-4694



## UW student tax website:

[finance.uw.edu/fm/sfs/tax](https://finance.uw.edu/fm/sfs/tax)

## Other Tax Questions?

Send email to:

[lic@uw.edu](mailto:lic@uw.edu)

