

# Federal Tax Guide for U.S. Residents: Graduate Students

---

## Tax Year 2023



# Agenda

---

- > IRS Info & Resources
- > Gross Income & Income Thresholds
- > Deductions & Credits
- > Lifetime Learning Credit
- > Qualified & Non-Qualified Education Expenses
- > Departmental Scholarships, Fellowships and Grants for U.S. Resident students
- > Prepaying your Taxes to the IRS
- > Form 1098T
- > Deductible Student loan interest
- > Information Tax Forms & Resources



# Important Information

---

- > Tax due date is **04-15-2024**
- > Standard deduction is \$13,850 for single and \$27,700 for married joint return
- > Covid-19 Emergency aid or CARES Act payment is not reported in Box 5 on the 1098T form. This money is non-taxable
- > Only use 1040 tax form to file. Form 1040A or 1040EZ have been discontinued



# What is the IRS?

---

- > 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

## Help by phone:

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



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

IRS Publication 970



**Individual Tax Help**

1-800-829-1040



**IRS Seattle Office**

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

Call 206-946-3400 for more info.

**Hours:**

Monday - Friday

8:30 am to 4:30 pm by appointment



# At Your Service

---

## **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

---

## **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., \$27,075 for a single person in 2023)
- > The LITC does not prepare tax returns



# Your Rights & Responsibilities

---

## **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

---

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

- > Filing your federal income taxes every year
- > Filing your taxes on time
- > Completing the form accurately and signing it
- > Attaching required documents and mailing it by April 15<sup>th</sup>,2024
- > Paying the taxes due or making a payment plan arrangement with the IRS to pay over time
- > Participating 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?

---

## **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

---

**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 payer 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?

---

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?

---

## 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 payer does not withhold taxes does not mean the income is not taxable**



# What is the Threshold Amount?

---

You must file a federal tax return if:

- > You are a dependent of someone else, and you earned:
  - \$1,250 unearned income (e.g. interest, dividends)
  - \$13,850 of earned income (e.g. wages, compensation)
- > You are **not** a dependent, Single Filing Status, and you earned
  - \$13,850 **any** type of income (\$27,700 if Married Filing Joint)
  - \$400 of self-employed income

Whether you are a dependent relies on several factors:

- Who is claiming you (parent, other relative, non-relative)
- Age and whether in school
- Support provided by you or the person claiming you as a dependent
- Best to consult directions to 1040



# 2023 Standard Deduction is \$13,850

---

- > 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!**





# Tax Credit or Deduction

---

A **tax credit** reduces the amount of income tax you may have to pay.

A **deduction** reduces the amount of income subject to tax.



# Tax Credit or Deduction

## 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

***Tax Owed***                      ***\$375***

## 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

**(Less Credit)**                      **250**  
***Tax Owed***                      ***\$150***

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



# Lifetime Learning Tax Credit

---

- \* For students enroll in a graduate program or fee base program
- \* For **any type of post-secondary education**, including classes taken to improve or acquire job skills
- \* For an unlimited number of years
- \* Credit is calculated by 20% of the first \$10,000 you paid for the qualified education expenses.
- \* **Maximum \$2,000** in tax year 2023



# When you CAN claim a Tax Credit

---

- > You pay qualified education expenses
- > MAGI (Modified Adjusted Gross Income) is under **\$90,000** for single or under **\$180,000** for married filing jointly.
- > The Lifetime Learning Credit is incrementally decreased if your MAGI is between **\$80,000 – \$90,000** for single filers and **\$160,000 – \$180,000** for joint filers.
- > To claim a credit, use **tax form 1040**
- > To calculate the tax credit, use **form 8863**



# You CANNOT claim the Earned Income or Lifetime Learning Tax Credit

---

- > If your filing status is married filing separately
- > You are listed as a dependent in the exemptions section on another person's tax return
- > For the Lifetime Learning: your income is over **\$90,000** for single and over **\$180,000** for married filing jointly
- > You or your spouse was a non-resident alien for any part of 2023 and the non-resident did not elect to be treated as a resident for tax purposes



# Qualified Education Expenses – Lifetime Learning Credit

---

> Per IRS regulations, qualified education expenses are:

- 1) Tuition and fees required for enrollment
- 2) Course related books
- 3) Supplies
- 4) Equipment needed for a course of study

*\*\*Only if paid for an eligible student that is required for enrollment or attendance at an eligible institution\*\**



# Qualified Education Expenses

---

## **Do NOT include:**

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



# Departmental Scholarships, Fellowships and Grants

---

**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

---

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



# Paying Taxes on Stipend Payments

---

- > Stipend payment from your department is a taxable income.
- > The payroll office does not withhold FICA income tax from a stipend payment.
- > If you have taxable income but taxes are not withheld from your paychecks, you should prepay taxes to the IRS quarterly. This will help you reduce the tax due amount when you file your tax return later.



# How to Prepay Your Taxes



- > Visit: [irs.gov/payments](https://irs.gov/payments)
- > Go to make a payment section:

## Pay from Your Bank Account

For individuals only. No registration required. No fees from IRS. Schedule payments up to a year in advance.

**Pay Now with Direct Pay**

## Pay by Debit Card, Credit Card or Digital Wallet (e.g., PayPal)

For individuals and businesses (not for payroll tax deposits). Processing fees apply.

**Pay Now by Card or Digital Wallet**

## Other Ways You Can Pay

- [Same-Day Wire](#) — Bank fees may apply
- [Check or Money Order](#) — Through U.S. mail
- [Cash](#) — Through a retail partner and other methods
- [Electronic Funds Withdrawal](#) — During e-filing

- > Pay using your SS# with the amount
- > You need to select the year and indicate this is to prepay taxes
- > <sup>7</sup> Print a payment receipt after you pay



# 1098T Form (prepared by UW)

---

## For the Lifetime Learning Credit:

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

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

- > Summarizes all tuition and fee charges in **Box 1**
- > Summarizes scholarship, fellowship and financial aid 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 – Tax Credits



UNIVERSITY OF WASHINGTON  
Educational Tax Credits Report  
IRS Form 1098-T and UW Information Statement – Tax Year 2023

1/22/24

If you have any questions regarding this report, please contact Student Fiscal Services via email at [taxquest@uw.edu](mailto:taxquest@uw.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  
129 Schmitz Hall, Seattle WA 98195

UW IRS Identification Number: 91-6001537

SOC SEC NUMBER:  
Student Number:

**Box 1**            \$12,106.00  
**Box 5**            - \$0.00  
**Difference:**        **\$12,106.00**  
you can only claim one of the credits:  
American Opportunity is **\$2,500**  
Lifetime Learning is **\$2,000**

## 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... \$12,106.00  
Box 5 : Scholarships or grants..... \$0.00  
Box 7 : Expenses include an amount for 2024..... No  
Box 8 : Student is at least half-time..... Yes  
Box 9 : Student is a graduate student..... No

## DETAIL OF CHARGES AND FINANCIAL ASSISTANCE RECEIVED

The following itemized information is NOT being sent to the IRS.

### QUALIFIED TUITION and RELATED EXPENSES PAID IN 2023

Charged	Transaction	Expense	Paid
12/28/22	WINTER 2023 TUITION	3,989.00	3,989.00
3/22/23	SPRING 2023 TUITION	3,988.00	3,988.00
8/31/23	AUTUMN 2023 TUITION	4,129.00	4,129.00
TOTAL:		12,106.00	12,106.00



# 1098T Form – Scholarship Income



**UNIVERSITY OF WASHINGTON**  
 Educational Tax Credits Report  
 IRS Form 1098-T and UW Information Statement – Tax Year 2023

1/12/24

If you have any questions regarding this report, please contact Student Fiscal Services via email at [taxquest@uw.edu](mailto:taxquest@uw.edu) or call 206-221-2809, 9-5 Pacific Time Monday through Friday. See reverse page for additional information.

University of Washington  
 Student Fiscal Services  
 129 Schmitz Hall, 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... \$10,227.00  
 Box 5 : Scholarships or grants... -\$20,202.00  
 Box 7 : Expenses include an amount for 2024... No  
 Box 8 : Student is at least half-time... Yes  
 Box 9 : Student is a graduate student... No

**Box 1:** \$10,227.00

**Box 5:** -\$20,202.00

**Difference:** **\$-9,975.00**

## DETAIL OF CHARGES AND FINANCIAL ASSISTANCE RECEIVED

The following itemized information is NOT being sent to the IRS.

### QUALIFIED TUITION and RELATED EXPENSES PAID IN 2023

Charged	Transaction	Expense	Paid
12/28/22	WINTER 2023 TUITION	3,989.00	3,989.00
	REGULAR COURSE FEES	75.00	75.00
3/22/23	SPRING 2023 TUITION	1,993.00	1,993.00
	REGULAR COURSE FEES	80.00	80.00
6/14/23	SUMMER 2023 TUITION	1,195.00	1,195.00
8/31/23	AUTUMN 2023 TUITION	2,890.00	2,890.00
	REGULAR COURSE FEES	5.00	5.00
	<b>TOTAL:</b>	<b>10,227.00</b>	<b>10,227.00</b>

### SCHOLARSHIPS OR GRANTS RECEIVED IN 2023

Date	Transaction	Grant Aid	Total
12/28/22	UNDERGRAD TUITION EXEMPTION	2,658.00	
	WASHINGTON COLLEGE GRANT	1,498.00	
	WASHINGTON COLLEGE GRANT	1,427.00	
	WASHINGTON BRIDGE GRANT	167.00	
	FEDERAL SUPPLEMENTAL GRANT	100.00	
	FEDERAL PELL GRANT	1,724.00	
3/30/23	UNDERGRAD TUITION EXEMPTION	830.00	
	WASHINGTON COLLEGE GRANT	760.00	
	FEDERAL PELL GRANT	575.00	
	WASHINGTON COLLEGE GRANT	215.00	
	WASHINGTON BRIDGE GRANT	166.00	
6/22/23	WASHINGTON COLLEGE GRANT	997.00	
	WASHINGTON BRIDGE GRANT	109.00	
	FEDERAL PELL GRANT	181.00	
	FEDERAL PELL GRANT	435.00	
9/20/23	UNDERGRAD TUITION EXEMPTION	2,890.00	
	UNDERGRAD UNIVERSITY GRANT	91.00	
	UNDERGRAD UNIVERSITY GRANT	819.00	
	WASHINGTON COLLEGE GRANT	1,993.00	
	WASHINGTON BRIDGE GRANT	125.00	
	FEDERAL SUPPLEMENTAL GRANT	75.00	
	FEDERAL PELL GRANT	1,233.00	
9/28/23	UNIVERSITY SCHOLARSHIP SEATTLE	1,334.00	20,202.00

Extra scholarship funds to report as  
 income: **\$9,975.00**



# 1098T Form – Stipend



**UNIVERSITY OF WASHINGTON**  
**Educational Tax Credits Report**  
 IRS Form 1098-T and UW Information Statement – Tax Year 2023

1/12/24

If you have any questions regarding this report, please contact Student Fiscal Services via email at taxquest@uw.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  
 129 Schmitz Hall, Seattle WA 98195

UW IRS Identification Number: 91-6001537

**Box 1:** \$14,080.00  
**Box 5:** - \$42,433.03  
**Difference:** - **\$28,353.03**

Additional scholarship payments should be reported as additional income:  
 \$28,353.03

**\*Stipend Paid via Payroll:\***

No taxes are withheld by the payroll office – stipends are reported on the 1098T form as a scholarship. This may increase tax liability

## 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... \$14,080.00  
 Box 5 : Scholarships or grants..... \$42,433.03  
 Box 7 : Expenses include an amount for 2024..... 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.

### QUALIFIED TUITION and RELATED EXPENSES PAID IN 2023

Charged	Transaction	Expense	Paid
3/23/23	SPRING 2023 TUITION	6,071.00	6,071.00
6/22/23	SUMMER 2023 TUITION	1,736.00	1,736.00
9/08/23	AUTUMN 2023 TUITION	6,273.00	6,273.00
TOTAL:		14,080.00	14,080.00

### SCHOLARSHIPS OR GRANTS RECEIVED IN 2023

Date	Transaction	Grant Aid	Total
4/05/23	1% MERIT-GRADUATE/F EXEMPT	6,071.00	
	NSF GRFP FELLOWS 22-23	92.00	
5/04/23	EARTH/SPACE SCI RCR	1,000.00	
6/22/23	1% MERIT-GRADUATE/F EXEMPT	1,736.00	
6/30/23	NSF GRFP FELLOWS 22-23	92.00	
10/02/23	UW FUNDS TECH FEE	22.00	
10/04/23	NSF GRFP FELLOWS 22-23	6,337.00	
12/31/23	SUM OF AMTS PAID THRU WORKDAY	27,083.03	42,433.03

← stipend payment



# Deductible Student Loan Interest

---

- > 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 \$90,000 (\$185,000 for married filing jointly)
  - > Deduction is reduced when income exceeds \$75,000 (\$155,000 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 or older
- > Meet the income threshold. Cannot have investment income of more than \$11,000 in the tax year 2023



# Earned Income Credit

---

## 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 - \$63,398
- > Two Qualifying Children - \$59,478
- > Only One Qualifying Child - \$53,120
- > No Qualifying Child & over age 25 - \$24,210



# Additional Dependent Issues

---

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

**SCHEDULE 1**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Additional Income and Adjustments to Income**

Attach to Form 1040, 1040-SR, or 1040-NR.  
Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.

OMB No. 1545-0074

**2023**

Attachment  
Sequence No. 01

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

**Part I Additional Income**

<b>1</b>	Taxable refunds, credits, or offsets of state and local income taxes . . . . .	<b>1</b>	
<b>2a</b>	Alimony received . . . . .	<b>2a</b>	
<b>b</b>	Date of original divorce or separation agreement (see instructions):		
<b>3</b>	Business income or (loss). Attach Schedule C . . . . .	<b>3</b>	
<b>4</b>	Other gains or (losses). Attach Form 4797 . . . . .	<b>4</b>	
<b>5</b>	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E . . . . .	<b>5</b>	
<b>6</b>	Farm income or (loss). Attach Schedule F . . . . .	<b>6</b>	
<b>7</b>	Unemployment compensation . . . . .	<b>7</b>	
<b>8</b>	Other income:		
<b>a</b>	Net operating loss . . . . .	<b>8a</b>	( )
<b>b</b>	Gambling . . . . .	<b>8b</b>	
<b>c</b>	Cancellation of debt . . . . .	<b>8c</b>	
<b>d</b>	Foreign earned income exclusion from Form 2555 . . . . .	<b>8d</b>	( )
<b>e</b>	Income from Form 8853 . . . . .	<b>8e</b>	
<b>f</b>	Income from Form 8889 . . . . .	<b>8f</b>	
<b>g</b>	Alaska Permanent Fund dividends . . . . .	<b>8g</b>	
<b>h</b>	Jury duty pay . . . . .	<b>8h</b>	
<b>i</b>	Prizes and awards . . . . .	<b>8i</b>	
<b>j</b>	Activity not engaged in for profit income . . . . .	<b>8j</b>	
<b>k</b>	Stock options . . . . .	<b>8k</b>	
<b>l</b>	Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property . . . . .	<b>8l</b>	
<b>m</b>	Olympic and Paralympic medals and USOC prize money (see instructions) . . . . .	<b>8m</b>	
<b>n</b>	Section 951(a) inclusion (see instructions) . . . . .	<b>8n</b>	
<b>o</b>	Section 951A(a) inclusion (see instructions) . . . . .	<b>8o</b>	
<b>p</b>	Section 461(l) excess business loss adjustment . . . . .	<b>8p</b>	
<b>q</b>	Taxable distributions from an ABLE account (see instructions) . . . . .	<b>8q</b>	
<b>r</b>	Scholarship and fellowship grants not reported on Form W-2 . . . . .	<b>8r</b>	
<b>s</b>	Nontaxable amount of Medicaid waiver payments included on Form 1040, line 1a or 1d . . . . .	<b>8s</b>	( )
<b>t</b>	Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan . . . . .	<b>8t</b>	
<b>u</b>	Wages earned while incarcerated . . . . .	<b>8u</b>	
<b>z</b>	Other income. List type and amount: . . . . .	<b>8z</b>	
<b>9</b>	Total other income. Add lines 8a through 8z . . . . .	<b>9</b>	
<b>10</b>	Combine lines 1 through 7 and 9. This is your <b>additional income</b> . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8 . . . . .	<b>10</b>	

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71479F

Schedule 1 (Form 1040) 2023

To report excess scholarship as income use:

**LINE 8r of Schedule 1:**  
**amount & "SCH"**



# IRS Form 1040

Form 1040 (2023) Page **2**

<b>Tax and Credits</b>	<b>16</b> Tax (see instructions). Check if any from Form(s): <b>1</b> <input type="checkbox"/> 8814 <b>2</b> <input type="checkbox"/> 4972 <b>3</b> <input type="checkbox"/>	<b>16</b>
	<b>17</b> Amount from Schedule 2, line 3	<b>17</b>
	<b>18</b> Add lines 16 and 17	<b>18</b>
	<b>19</b> Child tax credit or credit for other dependents from Schedule 8812	<b>19</b>
	<b>20</b> Amount from Schedule 3, line 8	<b>20</b>
	<b>21</b> Add lines 19 and 20	<b>21</b>
	<b>22</b> Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>
	<b>23</b> Other taxes, including self-employment tax, from Schedule 2, line 21	<b>23</b>
	<b>24</b> Add lines 22 and 23. This is your <b>total tax</b>	<b>24</b>
<b>Payments</b>	<b>25</b> Federal income tax withheld from:	
	<b>a</b> Form(s) W-2 <span style="float: right;"><b>25a</b></span>	
	<b>b</b> Form(s) 1099 <span style="float: right;"><b>25b</b></span>	
	<b>c</b> Other forms (see instructions) <span style="float: right;"><b>25c</b></span>	
	<b>d</b> Add lines 25a through 25c <span style="float: right;"><b>25d</b></span>	
	<b>26</b> 2023 estimated tax payments and amount applied from 2022 return <span style="float: right;"><b>26</b></span>	
	<b>27</b> Earned income credit (EIC) <span style="float: right;"><b>27</b></span>	
	<b>28</b> Additional child tax credit from Schedule 8812 <span style="float: right;"><b>28</b></span>	
	<b>29</b> American opportunity credit from Form 8863, line 8 <span style="float: right;"><b>29</b></span>	
	<b>30</b> Reserved for future use <span style="float: right;"><b>30</b></span>	
	<b>31</b> Amount from Schedule 3, line 15 <span style="float: right;"><b>31</b></span>	
	<b>32</b> Add lines 27, 28, 29, and 31. These are your <b>total other payments and refundable credits</b> <span style="float: right;"><b>32</b></span>	
	<b>33</b> Add lines 25d, 26, and 32. These are your <b>total payments</b> <span style="float: right;"><b>33</b></span>	
<b>Refund</b>	<b>34</b> If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b> <span style="float: right;"><b>34</b></span>	
	<b>35a</b> Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/> <span style="float: right;"><b>35a</b></span>	
	<b>b</b> Routing number <input type="text"/> <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	<b>d</b> Account number <input type="text"/>	
	<b>36</b> Amount of line 34 you want <b>applied to your 2024 estimated tax</b> <span style="float: right;"><b>36</b></span>	
<b>Amount You Owe</b>	<b>37</b> Subtract line 33 from line 24. This is the <b>amount you owe</b> . For details on how to pay, go to <a href="http://www.irs.gov/Payments">www.irs.gov/Payments</a> or see instructions <span style="float: right;"><b>37</b></span>	
	<b>38</b> Estimated tax penalty (see instructions) <span style="float: right;"><b>38</b></span>	
<b>Third Party Designee</b>	Do you want to allow another person to discuss this return with the IRS? See instructions <input type="checkbox"/> <b>Yes</b> . Complete below. <input type="checkbox"/> <b>No</b>	
	Designee's name <input type="text"/> Phone no. <input type="text"/> Personal identification number (PIN) <input type="text"/>	
<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 <input type="text"/> Date <input type="text"/> Your occupation <input type="text"/> If the IRS sent you an Identity Protection PIN, enter it here (see inst.) <input type="text"/>	
Joint return? See instructions. Keep a copy for your records.	Spouse's signature. If a joint return, <b>both</b> must sign. <input type="text"/> Date <input type="text"/> Spouse's occupation <input type="text"/> If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) <input type="text"/>	
	Phone no. <input type="text"/> Email address <input type="text"/>	
<b>Paid Preparer Use Only</b>	Preparer's name <input type="text"/> Preparer's signature <input type="text"/> Date <input type="text"/> PTIN <input type="text"/> Check it: <input type="checkbox"/> Self-employed	
	Firm's name <input type="text"/> Phone no. <input type="text"/>	
	Firm's address <input type="text"/> Firm's EIN <input type="text"/>	

To report tax credits from form 8863 use:

**LINE 29**



# IRS Form 8863 – Calculate Tax Credit

Form **8863** **Education Credits**  
(American Opportunity and Lifetime Learning Credits)

Department of the Treasury  
Internal Revenue Service

Attach to Form 1040 or 1040-SR.  
Go to [www.irs.gov/Form8863](http://www.irs.gov/Form8863) for instructions and the latest information.

OMB No. 1545-0074  
**2023**  
Attachment Sequence No. 50

Name(s) shown on return \_\_\_\_\_ 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 . . . . . **1**

2 Enter \$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying surviving spouse . . . . . **2**

3 Enter the amount from Form 1040 or 1040-SR, line 11. But if you're filing Form 2555 or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter instead . . . . . **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 surviving spouse . . . . . **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  **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: \$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying surviving spouse . . . . . **13**

14 Enter the amount from Form 1040 or 1040-SR, line 11. But if you're filing Form 2555 or 4563, or you're excluding income from Puerto Rico, see Pub. 970 for the amount to enter instead . . . . . **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 surviving spouse . . . . . **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**

**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. \_\_\_\_\_ (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 2023?  Yes  No (2) Did the student receive Form 1098-T from this institution for 2023?  Yes  No

(3) Did the student receive Form 1098-T from this institution for 2022 with box 7 checked?  Yes  No (3) Did the student receive Form 1098-T from this institution for 2022 with 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. \_\_\_\_\_ (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 American opportunity credit been claimed for this student for any 4 prior tax years?  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 2023 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 2023? 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 2023, 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** . . . . . **27**

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

29 Multiply line 28 by 25% (0.25) . . . . . **29**

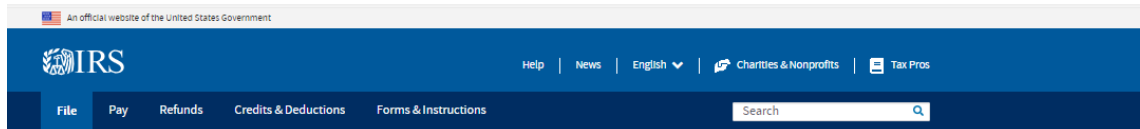
30 If line 28 is zero, enter the amount from line 27. Otherwise, add \$2,000 to the amount on line 29 and enter the result. Skip line 31. Include the total of all amounts from all Parts III, line 30, on Part I, line 1 . . . . . **30**

**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 . . . . . **31**



# Electronic Filing



Link:  
<https://www.irs.gov/filing/free-file-do-your-federal-taxes-for-free>



## IRS Free File: Do your taxes for free

[English](#) | [Español](#) | [中文\(简体\)](#) | [中文\(繁體\)](#) | [한국어](#) | [Русский](#) | [Tiếng Việt](#) | [Kreyòl ayisyen](#)

### Individuals

[Who Should File](#)

[How to File](#)

**Free File**

[e-File Options](#)

[When to File](#)

[Where to File](#)

[Amend Return](#)

[Your Information](#)

[Life Events](#)

[Students](#)

[Employees](#)

[Parents](#)

[Military](#)

[Seniors & Retirees](#)

### Businesses and Self-Employed

[Charities and Nonprofits](#)

[International Taxpayers](#)

[Governmental Liaisons](#)

[Federal State Local Governments](#)

IRS Free File lets qualified taxpayers prepare and file federal income tax returns online using guided tax preparation software. It's safe, easy and no cost to you. Those who don't qualify can still use Free File Fillable Forms.

Individual tax filers, regardless of income, can use IRS Free File to electronically request an automatic tax-filing extension.

### Choose from IRS Free File:

#### Option 1: Guided Tax Software (for Adjusted Gross Income(AGI) \$79,000 or less)

Let the software do the work

- Answer simple questions
- Choose between trusted IRS partners you qualify for
- Accurate math calculations guaranteed
- Free state tax preparation and filing with some trusted partners
- Prepare and file your federal return in [Spanish](#)

[Explore Free Guided Tax Software](#)

#### Option 2: Fillable Forms

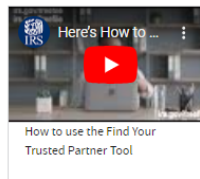
You do all the work using form instructions

- Available for any income level
- No guidance and limited calculations provided
- No state tax preparation and filing

[Use Fillable Forms](#)

### What is IRS Free File?

The IRS Free File Program is a public-private partnership between the IRS and many tax preparation and filing software industry companies who provide their online tax preparation and filing for free. It provides two ways for taxpayers to prepare and file their federal income tax online for free:



# Other Tax Help

---

## **United Tax Way Free Online Tax Help**

**January 16<sup>th</sup> – April 21<sup>st</sup>, 2024**

- > 17 locations across King County + virtual tax site
- > No appointment needed

Follow the link below:

***[FreeTaxExperts.org](https://www.freetaxexperts.org)***





# UW Free Tax Assistance

---

## **HOURS**

UW VITA reopens on January 24th, 2024. The site will run from 11:30 am to 2:30 pm on Tuesdays and Thursdays.

## **LOCATION**

University of Washington, Seattle Campus  
Dempsey Hall Room 202  
4277 NE Stevens Way, Seattle, WA 98195

## **WHO QUALIFIES**

Households making less than \$80,000 can access free tax help and preparation for this tax year

The UW site also helps prepare nonresident returns



# For More Tax Information

---

IRS Web Site  
**[www.irs.gov](http://www.irs.gov)**

IRS Publication 970  
IRS Instructions for 1040



# Opting out the Paper 1098-T

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!**

W UNIVERSITY of WASHINGTON

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

## Student Fiscal Services

**TUITION PAYMENT**  
LEARN MORE

**TUITION OVERVIEW**  
LEARN MORE

**TAXES**  
LEARN MORE

**SCHOLARSHIPS & FELLOWSHIPS**  
LEARN MORE

**LOGINS**

TUITION STATEMENT

**1098-T TAX FORM**

STUDENT LOGIN

PARENT LOGIN

**NEWS & NOTICES**

**Phishing Scam Alert - 01/31/20:**

We are aware of a phishing scam that may have affected UW students and staff. The phishing email mentions confirmation of a Webcheck payment and/or a direct deposit transfer. If you receive an email confirming a Webcheck payment when you have not initiated a payment or receive an email regarding a direct deposit you had not anticipated please do not click on or provide any personal information on the webpages linked in the email. We are investigating the matter and its possible causes. Thank you for your cooperation.

CHANGE ADDRESS

INFO RELEASE

FORMS FOR STUDENTS

FAQ

DIRECT DEPOSIT

For more information go to:

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



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

206-221-2609



## UW student tax website:

[f2.washington.edu/fm/sfs/tax](https://f2.washington.edu/fm/sfs/tax)



# Other Contacts

---

## **Federal Tax Clinic, Law School**

clinics@uw.edu

206-685-6805

## **Payroll Office----ISC**

pr-tax@uw.edu

206-543-8000

