

## Education, Student Loan, ESA, 529 Plan Worksheet

Please use this worksheet to give us education expenses, student loan interest and ESA / 529 Plan information for preparation of your tax returns.

There are two versions of this worksheet; a **non-fillable PDF** (what you are viewing now) and an online digital form. If you feel like safely and securely submitting this information via our website, please use this redirect link-

[wcginc.com/617](http://wcginc.com/617)

If you want to use the non-fillable PDF, please download, complete and securely upload the PDF to your Sharefile. Please do not email this worksheet since it contains sensitive information. You can access Sharefile here-

[wcginc.com/sharefile](http://wcginc.com/sharefile)

### Worksheets Available

Here is a list of our worksheets. As mentioned before, you do not have to replicate data that is available elsewhere. For example, mortgage interest and real estate taxes reported on Form 1098 do not need to be entered again with our worksheets. Let's keep life simple and easy for you; that's why you hired us.

Contact Info	Used for basic contact information	<a href="http://wcginc.com/610">wcginc.com/610</a>
Dependents	Used for dependents and dependent care	<a href="http://wcginc.com/612">wcginc.com/612</a>
Deductions	Used for moving, medical, local taxes, home, charity, IRA	<a href="http://wcginc.com/615">wcginc.com/615</a>
Education ( <b>this one</b> )	Used for education expenses, student loans, 529	<a href="http://wcginc.com/617">wcginc.com/617</a>
Business Set Up	Used for all businesses to detail set up information	<a href="http://wcginc.com/620">wcginc.com/620</a>
Business Ops, Fin. Data	Used for all businesses to report income and expenses	<a href="http://wcginc.com/621">wcginc.com/621</a>
Home Office	Used for home office deductions	<a href="http://wcginc.com/623">wcginc.com/623</a>
Auto Expenses	Used for actual expenses and mileage information	<a href="http://wcginc.com/625">wcginc.com/625</a>
Accountable Plan	Used for business owners to reimburse for mixed use expenses	<a href="http://wcginc.com/628">wcginc.com/628</a>
Rental Property	Used for rental property income and expenses	<a href="http://wcginc.com/630">wcginc.com/630</a>
Property Sale	Used for reporting real estate sales, home and rental	<a href="http://wcginc.com/637">wcginc.com/637</a>
Expat	Used for expatriates to report foreign income, dates	<a href="http://wcginc.com/640">wcginc.com/640</a>
Annual Questionnaire*	Used for tax questions including retirement contributions	<a href="http://wcginc.com/690">wcginc.com/690</a>

## Person Submitting form

Your Name \_\_\_\_\_ Cell Phone \_\_\_\_\_  
Primary Email \_\_\_\_\_  
Tax Year \_\_\_\_\_ Date Worksheet Completed \_\_\_\_\_

Is this an update to a previously submitted worksheet?      Yes      No

## Tax Documents

There are four types of tax documents that you might receive in connection with education, student loans and 529 plans.

- ▲ A **1098-T** is a form that you should receive for tuition expenses. If you or your dependent went to a qualified school, 99% of the time a 1098-T form will be issued. We must get a copy of this form in addition to completing the information below. These forms are not always mailed in our electronic world, so please check your student portal.
- ▲ A **1098-E** is a form to report student loan interest. While we need the 1098-T form, you can report student loan interest to us without a corresponding 1098-E form by completing the information below.
- ▲ A **1099-Q** is a form similar to a 1099-R that reports distributions from a qualified education savings accounts (for example, a 529 Plan). You will get this in two instances; money was taken out for education or money was transferred to another custodian (such as going from Vanguard to Fidelity).
- ▲ A Education Savings Account / 529 Plan statement is not necessarily a tax form, but it is needed for us to report and record your contributions. It is not enough to only tell us what you contributed **unless you are a returning client** (yay!) and the account information has not changed.

We need the account or plan provider, address, EIN, account number and beneficiary at the very least. Some states offer a tax deduction or credit for your contributions and this information is required.

**Caution:** if you are paying for your children's education and tuition, and he or she has a job, we should prepare both tax returns. Depending on your income in conjunction with your child's income, there might be better credits for your son or daughter to report the 1098-T and associated expenses on his or her tax return.

In other words, your high income might phase out the credits while your child's income might allow for the maximum credit. Let us help maximize the tax benefit for the family unit- good Thanksgiving conversation, and we'll tell you how much your child owes you for the extra refund. We can't help with collections, however.

## Tax Credits and Refundable Credits

There are three primary education credits; American Opportunity Tax Credit (AOTC), Lifetime Learning Credit and the Tuition and Fees Deduction. We will optimize between all three depending on eligibility. The AOTC also has a refundable credit portion; this means if you don't have enough tax to allow for the tax credit, you still get additional credits in the form of refundable credits (cool!).

## Tax Cuts and Jobs Act of 2017

The not so recent tax reform now allows you to use 529 Plans to fund private, public or religious elementary, middle and high school tuitions. The limit is \$10,000 annually. Speak to your 529 Plan administrator for details.

### Tuition Expense (Form 1098-T and 1099-Q, if applicable)

Please send us copies of the Form 1098-T that was received plus the following information-

Fees	_____	Room, Board*	_____
Books	_____	Computer, Internet	_____
Supplies	_____	Uniforms**	_____
Equipment	_____		

\* Room and board are typically not deductible as an education expense, but they count towards qualified education expenses when using an Education Savings Account or a 529 Plan (special rules for off-campus housing). This might sound confusing; please contact us and we can help (a deductible expense is not the same as an expense eligible for reimbursement).

\*\* Uniforms are typically only deductible for students who are required to have uniforms such as nurses, hygienists, doctors, etc. These essentially become supplies.

Expenses that do not qualify for anything include transportation and travel, cell phones, gym memberships and health insurance. Some of these expenses will be billed by the university but remain non-deductible and cannot be reimbursed. **Only expenses that are required are qualified education expenses**; for example, additional learning materials beyond the required classroom textbook are not qualified education expenses.

Please detail any other expenses or nuances that you might think are important-

If you used an Education Savings Account or a 529 Plan to pay for these expenses, please send this worksheet along with **Form 1099-Q** to us. Super duper important that we get all three (this worksheet, Form 1098-T and 1099-Q).

If any student expenses were reimbursed through an employer, education grant or military such as the GI Bill, or if you used U.S. Savings Bonds, please be very specific and list the amount(s) and source(s) below-

**Student Loans (Form 1098-E, Other Statements)**

Are you enrolled in an Income-Driven Repayment (IDR) program such as Pay As You Earn Repayment Plan (PAYE) where you need to prepare and file tax returns as "married filing separate" so as to not adversely affect student loan payments? If, please describe-

Please send us copies of the Form 1098-E's that you received, or complete the following table-

Lender _____	Interest Paid _____
Lender _____	Interest Paid _____
Lender _____	Interest Paid _____
Lender _____	Interest Paid _____
Lender _____	Interest Paid _____

Keep in mind a few things about student loan interest-

- ▲ **The deduction is limited to \$2,500.** It is phased out if your adjusted gross income exceeds \$90,000 for single filers and \$180,000 for married filing jointly filers (for the 2023 tax year). If you file married filing separate, this deduction is not allowed at all.
- ▲ If Mom and Dad pay the student loan payment but are not responsible for the debt, they cannot deduct the interest paid. However, the child (student) may deduct it although Mom and Dad paid it. You must be legally responsible for the debt to deduct the student loan interest.

### Education Savings Accounts, 529 Plans

An Education Savings Account / 529 Plan statement is not necessarily a tax form, but it is needed for us to report and record your contributions. **It is not enough to only tell us the amount you contributed** unless you are a returning client (yay!) and the account information has not changed (you can skip to the schedule below, but we still prefer the year-end statement if it is not too much trouble).

Otherwise, we need-

1. the account or plan provider
2. state where the plan "lives"
3. address
4. EIN
5. account number and
6. beneficiary

Some states offer a tax deduction for your contributions and this information is required. As such, please submit year-end statements or similar information showing the above.

For recurring contributions where the account information has not changed, please complete this schedule, or simply send us the year-end statement-

ESA / Plan Name (including the state)	Child's Name	Amount Paid
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

# Disclosure

I(We) verify that the information provided in this **Education, Student Loan, ESA, 529 Plan Worksheet** is accurate and complete. I(We) understand it is my(our) responsibility to include any and all information concerning income, deductions and other information necessary for the preparation of my (our) tax returns.

Taxpayer Signature \_\_\_\_\_ Date\_\_\_\_\_

Printed Name \_\_\_\_\_

Spouse Signature \_\_\_\_\_ Date\_\_\_\_\_

Printed Name \_\_\_\_\_

Please call or email us anytime with your questions and concerns. Seriously! You can call us and we can complete this for you over the phone, talk about the weather and share vacation ideas.

Thank you in advance, and we look forward to working with you!

**WCG CPAs & Advisors**