

**INTERNAL REVENUE SERVICE
ADVISORY COUNCIL**

**WAGE AND INVESTMENT
SUBGROUP REPORT**

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INTRODUCTION/EXECUTIVE SUMMARY

The IRSAC Wage & Investment Subgroup (hereafter “Subgroup”) is comprised of a diverse group of tax professionals including Enrolled Agents, educators, Certified Public Accountants, and a national tax director of a large volunteer tax assistance program. This group brings a broad range of experience and perspective from both tax preparers’ and taxpayers’ views, and includes in depth experience in the issues faced by a wide range of W&I taxpayers. We have been honored to serve on the IRS Advisory Council and appreciate the opportunity to submit this report.

The Subgroup would like to thank W&I Commissioner Richard Byrd for his recognition of the value of the Subgroup as an integral part of his leadership team. The Subgroup has had the privilege of working with the professionals within the W&I Division of the IRS and found them to be extremely helpful in providing the information, resources, and IRS personnel necessary to develop our report. We also very much appreciate the support provided by our two designated liaisons who do a masterful job at navigating the IRS and ensuring we have the access and information needed to review our issues.

The Subgroup has researched and is reporting on the following four issues:

- 1. Schedule D (Capital Gains and Losses) / Instructions and New Reporting Requirements**

The W&I Subgroup of IRSAC was asked to assist the IRS in reviewing the redesign of the 2011 Form 1040, Schedule D “Capital Gains and Losses” and associated instructions, for basis reporting that will be included in the information matching program. The Subgroup was asked to provide recommendations on ways to best simplify

the Schedule D redesign as well as ways to improve the instructions to provide information for basis reporting. The Subgroup was also asked to review and recommend ways to simplify the new Form 8949 that replaced Schedule D-1. The new forms and processes are well thought out and are significantly enhanced. We offer that additional modifications, such as clearer guidance and instructions and expanded reporting capability such as adding brokerages houses and a separate column for number of shares sold, will improve clarity of reporting and later reference by both the preparer and taxpayer, as well as matching by the IRS.

2. Repeater Balance Due Taxpayers

The W&I Subgroup of IRSAC was asked to provide input and feedback to assist the IRS with the Repeater Balance Due Taxpayers issue. The primary goal is to collect the balance of taxes due by helping taxpayers who are non-compliant and egregious repeaters to become compliant and stay compliant. Our recommendations provide suggestions for new guidelines for an Installment Agreement (IA), for redesigning the notices associated with Installment Agreements (CP521 and CP523) and for a review of other collection tools available.

3. Refundable Adoption Credit

The W&I Subgroup of IRSAC was asked to assist the IRS with the issue of documentation to support the Refundable Adoption Credit. Annually IRS receives and processes approximately 90,000 returns claiming the Adoption Credit. The Patient Protection and Affordable Care Act increased the Adoption Credit up to a limit of \$13,170 per child and made the credit fully refundable for 2010 and 2011. Carryovers of expenses from prior years are also eligible for the refundable credit. With any new credit,

there is a possibility of potentially fraudulent and questionable returns to be processed and substantial refunds improperly released. We offer options mostly focused on more specificity and clarity of communications. We suggest conformity will increase as the taxpayer understands all of the requirements especially related to documentation and definitions.

4. American Opportunity Tax Credit

The IRS has requested feedback from the Subgroup in three areas with regard to the American Opportunity Tax Credit (AOTC): (1) the language of the letters to AOTC claimants and educational institutions, (2) ideas for improving accuracy of AOTC claims particularly related to requiring the name of the educational institution on the Form 8863, and the Department of Education or other identification number on all completed Forms 1098-T and Forms 8863, and (3) the AOTC communication plan for students, parents, and educational institutions. TIGTA reports that taxpayers who erroneously claimed students who attended less than the required time for eligibility received approximately \$2 billion in AOTC. The Subgroup not only shares W&I's concern about the eligibility compliance issue, we as practitioners and educators, believe that additional recommendations concerning other aspects of the credit, such as (1) standardizing the amount of qualified tuition and related expenses reported on Form 1098-T to only allow for the reporting of payments received and (2) creating a column on Form 8863 that allows for reporting of educational expenses that are in addition to qualified tuition and related expenses as reported on Form 1098-T. The Subgroup believes that these changes will allow for better computer matching, and will, therefore, increase overall accuracy.

ISSUE ONE: SCHEDULE D (CAPITAL GAINS AND LOSSES) /
INSTRUCTIONS AND NEW REPORTING REQUIREMENTS

Executive Summary

The W&I Subgroup of IRSAC was asked to assist the IRS in reviewing the redesign of the 2011 Form 1040, Schedule D “Capital Gains and Losses” and associated instructions, for basis reporting that will be included in the information matching program. The Subgroup was asked to provide recommendations on ways to best simplify the Schedule D redesign as well as ways to improve the instructions to provide information for basis reporting. The Subgroup was also asked to review and recommend ways to simplify the new Form 8949 that replaced Schedule D-1. The new forms and processes are well thought out and are significantly enhanced. We offer that additional modifications, such as clearer guidance and instructions and expanded reporting capability such as adding brokerage houses and a separate column for number of shares sold, will improve clarity of reporting and later reference by both the preparer and taxpayer, as well as matching by the IRS.

Background

In October 2010, the IRS issued final regulations under a law change that will require reporting of basis and other information by stock brokers and mutual fund companies for most stock purchased in 2011 and all stock purchased in 2012 and later years. The reporting will be to investors and the IRS using Form 1099-B “Proceeds from Broker and Barter Exchange Transactions.” The law change resulted in the redesign of 1099-B, Schedule D and D-1. The D-1 is no longer used and has been replaced by Form 8949 “Sales and Other Dispositions of Capital Assets.” Form 8949 will now contain all

capital gain and loss transactions. The subtotals from this form will be carried over to Schedule D (Form 1040), where gain or loss will be calculated in aggregate. As other Schedules D are changed to follow this format, they will all use Form 8949, so that only one Form 8949 need exist for Modernized e-File and other purposes.

Short and long-term transactions will each be listed in the following categories:

- a. Transactions reported on Form 1099-B that show basis in box 3.
- b. Transactions reported on Form 1099-B that do not show basis in box 3.
- c. Transactions not reported on Form 1099-B, such as Form 1099-S transactions for sale of a vacation home, or the sale of a collectable.

A checkbox at the top of each page identifies the type of transaction reported (listed above). A taxpayer with more than one type of transaction must file a separate form for each type.

A new column was added in the description column for a transaction code that will be used to indicate various adjustments to gain or loss, such as wash sales, exclusions of Section 1202 gain, exclusions on small business stock gain, Section 83 income recognized, etc. The last column is used to indicate the amount of the adjustment to gain or loss.

Recommendations

1. Relocate the new transaction code column (b) on Form 8949 next to the new adjustments column (g). Having these two new columns side by side will make it easier to understand the nature and reason for the adjustment.

2. Include a statement on Form 8949 that refers the taxpayer to the list of transaction codes and their explanations in the form instruction and Publication 551 “Basis of Assets” for the completion of columns (b) and (g).
3. Update Parts I and II of Form 8949 checkboxes (A) and (B) to include the wording “Cost or other basis” instead of “shows basis” as currently listed in section (A) and “does not show basis” as currently listed in section (B), to be consistent with common terminology protocol.
4. Include an extra column on Form 8949 to show the number of shares sold. This will help facilitate the matching program.
5. Change the description column on Form 8949 to add the brokerage house name in column (a) in addition to “Description of property.”
6. Change the format of Form 8949 to a landscape format thereby including all the relevant information for data matching.
7. Add a statement on Schedule D at the end of line 7 “Net short-term capital gain or (loss),” Part I that says “Also include on Part III, line 16.” This will then be consistent with line 15 “Net long-term capital gain or (loss)” which is also included on Part III, line 16. The way it reads currently is that it leaves line 7 open ended.
8. Add a column on Schedule D to include net gain or loss per transaction.
9. Update Publication 551 “Basis of Assets” to include more specific information on the adjustments on Form 8949 in column (g) and include several examples.
10. Develop a web-based application that taxpayers can use as a training tool that would incorporate the new Forms 1099-B and 8949, and Schedule D.

11. Encourage the brokerage houses providing substitute Forms 1099-B to be consistent in reporting with the format of Form 8949. This will aid the taxpayer and preparer in uploading multiple transactions in a standard spreadsheet or other electronic format, thereby making reporting as error free as possible.

ISSUE TWO: REPEATER BALANCE DUE TAXPAYERS

Executive Summary

The W&I Subgroup of IRSAC was asked to provide input and feedback to assist the IRS with the Repeater Balance Due Taxpayers issue. The primary goal is to collect the balance of taxes due by helping taxpayers who are non-compliant and egregious repeaters to become compliant and stay compliant. Our recommendations provide suggestions for new guidelines for an Installment Agreement (IA), for redesigning the notices associated with Installment Agreements (CP521 and CP523), and for a review of other collection tools available.

Background

A prior study done by Wage and Investment (W&I), *Balance Due Taxpayers with High Risk of Becoming “Repeaters” Need Special Handling* dated June 2010, shows that one-third to one-half of balance due taxpayers have a subsequent balance due and/or nonfiler account within two years. Our own experience indicates too often taxpayers reduce the withholdings on their W-4 form or skip current year estimated payments so they have funds available to pay the installment agreement leaving them with a balance due on their current year taxes. In today's economy, we are seeing earlier withdrawals from pensions, unemployment benefits and other income without proper withholdings. It is not uncommon in today's uncertain financial times for a taxpayer to accumulate several years of unpaid taxes. However, this creates a vicious circle where the taxpayer who is making payments for prior years now is also underpaying their current year's taxes.

In general, taxpayers can enter into a streamlined installment agreement if the balance owed is less than \$25,000 and can be paid in five years or less. This dollar

amount has been in place since 1999 and based on today's economy should be increased.

In FY 2010, 94 percent of all installment agreements were streamlined installment agreements. The overall default rate for all installment agreements is 18.3 percent (non-streamline 23.2 percent and streamline 18 percent). Also, taxpayers who voluntarily make their payment by direct debit have a low default rate of 7.1 percent. If the dollar limit is raised, there will be more taxpayers qualifying for the streamlined installment agreement. Currently, if the balance due is more than \$25,000 then taxpayers must provide financial information, Form 433A or 433F, to qualify for an installment agreement. Also, if they owe taxes in the subsequent year, their installment agreement will default (in most situations) and a new installment agreement must be negotiated.

In FY 2010, the IRS sent out over 25 million reminder notices (CP521) to taxpayers who are on an installment agreement. After the taxpayer misses his/her second payment on an installment agreement, Letter 4458C, the Commissioner's skip payment notice, is sent. About one million of these notices have been sent so far for FY 2011. After missing their third payment, Notice CP523, Intent to Terminate your Installment Agreement, is sent.

After the Notice CP523 is sent, the installment agreement may be reinstated if the taxpayer contacts the Service either by phone or in writing. There is a \$45.00 reinstatement fee which may, in certain circumstances, be waived. IRS allows 30 days while research is done to see if payment was received or the taxpayer responds. If neither the payment nor response is received, the case is sent to the Automated Collection System (ACS). Now the taxpayer is subject to liens on property and levy action on assets

including bank accounts, salary, wages and even social security. The case may continue to be worked through ACS or it may be transferred to field Collection.

Recommendations

1. Increase the streamlined installment agreement to \$50,000 if repayment can be five years or less for all taxpayers.
2. Periodically review any revised limits on streamlined installment agreements to assure that they meet the needs of the IRS and taxpayers.
3. Require the following in cases of either a taxpayer who accumulated two periods of unpaid taxes, if within the streamline amount, or a taxpayer who has defaulted an Installment Agreement for a second time:
 - a) Direct debit installment agreements (DDIA), allowing one skip in a 12-month period, or
 - b) Direct payroll installment agreements (DPIA) for the unbanked taxpayer.
 - c) An approved request for reinstated IA automatically if taxpayer agrees to DDIA/DPIA. Failure to agree to DDIA/DPIA would not, in and of itself, automatically disqualify the reinstatement, which could still be granted on other facts and circumstances.
 - d) Use of the “lock-in” letter that specifies the maximum number of withholding allowances permitted for the employee. This allows the taxpayer to be in compliance, breaking the repeater balance due cycle.
4. Provide sufficient resources, including a dedicated telephone line, to effectively resolve any direct debit issues or problems in a prompt, timely manner.

5. Mail Letter 4458C the first time a payment is missed. Do not wait until the second missed payment.
6. Add a voucher to Letter 4458C for taxpayers to remit with their payments.
7. Add a statement on Notice CP521 that a payment has been missed and the amount needed to bring the account current. The amount should include the current monthly payment and all missed payments (similar to letters sent from credit card companies).
8. Add a Truth in Lending paragraph showing current interest and length of time to pay off based on monthly payment.

ISSUE THREE: REFUNDABLE ADOPTION CREDIT

Executive Summary

The W&I Subgroup of IRSAC was asked to assist the IRS with the issue of documentation to support the Refundable Adoption Credit. Annually IRS receives and processes approximately 90,000 returns claiming the Adoption Credit. The Patient Protection and Affordable Care Act increased the Adoption Credit up to a limit of \$13,170 per child and made the credit fully refundable for 2010 and 2011. Carryovers of expenses from prior years are also eligible for the refundable credit. With any new credit, there is a possibility of potentially fraudulent and questionable returns to be processed and substantial refunds improperly released. We offer options mostly focused on more specificity and clarity of communications. We suggest conformity will increase as the taxpayer understands all of the requirements especially related to documentation and definitions.

Background

The Adoption Credit is a large refundable credit of up to \$13,170, so the Service has determined that all returns claiming the credit must be filed by paper with the proper documents of a final or in process adoption included with the return. Through the third week of May 2011, approximately 87,000 returns were processed claiming the adoption credit; of those, about 61,000 were sent to Examination. Over 40 percent of the returns did not have the documentation attached. Approximately 53 percent of the returns claiming the credit were prepared by paid preparers and 42 percent were self-prepared. All returns with attached documents will be reviewed prior to processing the returns. Delays are not in anyone's best interest, and processing must be completed quickly and

efficiently as possible. The credit is in effect for the tax years 2010 and 2011. Lack of math error authority is a challenge; the IRS cannot process or disallow the credit just because the taxpayer does not send in documentation with the return. If no documentation is supplied with the return, the return is sent to exam. In the case of returns with other or multiple credits, only the Adoption Credit portion of the refund would be frozen if the documentation is missing or questionable. If any part of the 2010 Adoption Credit consists of a carryforward of unused credits from prior years it will also require that documentation from that prior year be included with the calculation of the credit.

Recommendations

1. Clearly identify what is a special needs adoption on the Form 8839 “Qualified Adoption Expenses” and its instructions. Line 5(a) should be added to highlight the difference between regular adoption and special needs adoption expenses.
2. Educate the taxpayer, the preparer community and third-party agencies about the necessity of including the documents required. Add the bullet point format from Form 886-H-Adopt-0 “Adoption Documentation Requirements” to the instructions for the Form 8839. IRS Summertime Tax Tip 2011-10 includes good concise information about the adoption credit and how to file for the credit.
3. Include a bold one line instruction near the top of the Form 8839 stating that documentation must be included to support the adoption credit claimed, including but not limited to the adoption final decree or court documents verifying the ongoing, not-final adoption.
4. Modify the Form 8839 instructions to boldly state that the documentation is required to be sent in paper form, along with the “paper filed” Form 1040, all

other required forms and Form 8839. Prominently display the bullet points of required documentation from Form 886-H-Adopt-0. The current instructions do say in bold print that paper filing is required; the font size of the bold print needs to be increased for greater impact and to grab the reader's attention.

5. Provide outreach with letters and announcements such as IRS Summertime Tax Tip 2011-10 to tax preparers and adoption agencies, etc., about the increased credit available and the increased documentation required to be filed, along with the reminder that the completed return will need to be paper filed.
6. Investigate how the documents necessary for the review and authorization of the return could be sent in electronic format and attached with an e-filed tax return.
7. Include in Exam correspondence to taxpayers a checkbox section to define exactly what was required that they did not include. The current letters are not specific and it is difficult for the taxpayer to tell which particular forms are missing. The automated process needs to have selectable checkbox lines that will indicate the documents that are required, but missing on the submitted return.

ISSUE FOUR: AMERICAN OPPORTUNITY TAX CREDIT

Executive Summary

The IRS has requested feedback from the Subgroup in three areas with regard to the American Opportunity Tax Credit (AOTC): (1) the language of the letters to AOTC claimants and educational institutions, (2) ideas for improving accuracy of AOTC claims particularly related to requiring the name of the educational institution on the Form 8863, and the Department of Education or other identification number on all completed Form 1098-T and Form 8863, and (3) the AOTC communication plan for students, parents, and educational institutions. TIGTA reports that taxpayers who erroneously claimed students who attended less than the required time for eligibility received approximately \$2 billion in AOTC. The Subgroup not only shares W&I's concern about the eligibility compliance issue, but we, as practitioners and educators, believe that additional recommendations concerning other aspects of the credit, such as (1) standardizing the amount of qualified tuition and related expenses reported on Form 1098-T to only allow for the reporting of payments received and (2) creating a column on Form 8863 that allows for reporting of educational expenses that are in addition to qualified tuition and related expenses as reported on Form 1098-T, will allow for better computer matching, and will therefore increase overall accuracy.

Background

To qualify for the American Opportunity Tax Credit (AOTC), the taxpayer must pay post-secondary educational expenses during the first four post-secondary education years for an eligible student that is the taxpayer, spouse, or dependent. An eligible student is defined as one who attends an eligible educational institution at least half time during

one academic period of the year, is not a graduate level student (unless the student was a non-graduate student during the same year), and does not have a felony drug conviction.

The AOTC increases the availability of the credit to taxpayers with higher adjusted gross income, has a 40 percent refundable component up to \$1,000, and is available for the expenses of books, supplies, and equipment needed for education purposes.

A Form 1098-T “Tuition Statement” is required to be issued annually from the eligible educational institution to the student. Areas of concern on the 1098-T for W&I are (1) the checkboxes that report whether the student is at least a half-time student, (2) if the student is a graduate student, and (3) the reporting of either the payments received or amounts billed for the qualifying tuition and related expenses for the calendar year.

Form 1098-T is not required to be filed with the individual tax return and submission processing does not have math error authority for AOTC to deny claims based on third-party documentation. Therefore, IRS is unable to capture these erroneous credits as returns are processed. Compliance activities must occur after submission processing. Over 1.3 million students were identified as having received Form 1098-T that indicated they attended less than half time or were graduate students or both. Regardless of the information on Form 1098-T, taxpayers claimed these students and received approximately \$2 billion in erroneously paid AOTC.

As additional evidence of issues with education credit accuracy, the Treasury Inspector General for Tax Administration (TIGTA) reports *“Improvements are needed in the Administration of Education Credits and Reporting Requirements for Educational Institutions* dated September 30, 2009, identified approximately 203,000 taxpayers who claimed the Hope Credit for the same student for the three consecutive tax years ending

in TY 2006 (TYS 2004, 2005, and 2006). The amounts of the credits inappropriately claimed in TY 2006 averaged close to \$1,500 and totaled just over \$300 million. Over 58,000 of these taxpayers claimed the credit for the same student for four consecutive years.”

TIGTA further commented, “Since the Hope Credit is not a refundable credit, the amount of the credit realized is limited to tax owed (after applying most other credits).” According to TIGTA, “in a further analysis of the accounts of the taxpayers that claimed the credit in TY 2007 for a third year (it was) determined that 168,347 taxpayers inappropriately received credits totaling over \$206 million.” TIGTA found that without IRS having Math Error Authority for this credit, many taxpayers are successful in taking the credit for more than the allowable years of post-secondary education.

TIGTA also commented on the option of the eligible educational institution to report either amounts received or amounts billed for qualified tuition. “The only amount relevant for cash basis taxpayers, and the only amount beneficial to both the taxpayer and the IRS for computing the amount of credit allowed, is the amount paid by the taxpayer for qualified tuition and related expenses.”

Although the AOTC provisions are set to expire on December 31, 2012, analysis by both the IRS and TIGTA supports the need to communicate and find more effective processes for determining non-compliance with education credits. It is anticipated that education credits, whether AOTC, HOPE, Lifetime Learning, or another version may well continue past 2012 into the future and that these recommendations could be helpful for future years.

Recommendations

1. Define “at least half time during one academic period.” This is currently defined as being a half time student for at least five months of the year. The definition may need to be revisited since many institutions now offer programs with “academic periods” with various lengths of time. Providing more examples that demonstrate “at least half time” using different academic periods would be useful.
2. Define the term “eligible institution” and create a webpage or link to a webpage that lists all eligible institutions that qualify for the AOTC. Also provide the web link in IRS Publication 970, Tax Benefits for Education.
3. Require that Form 1098-T report payments received during the year. With the change to only payments received being reported, the IRS will need transition rules so that amounts billed in the prior year do not get counted twice as amounts billed would be payments received in the subsequent year.
4. Inform taxpayers and academic institutions that “tuition in-kind” is not to be reported on Form 1098-T.
5. Provide guidance to taxpayers on prepaid tuition plan contributions and withdrawals. Include examples that demonstrate that contributions to prepaid plans are not eligible for education credits, while withdrawals used for tuition may be eligible.
6. Require eligible educational institutions to distribute two Forms 1098-T to any student that is both an undergraduate and graduate student in the same calendar year. Alternatively, the 1098-T could be redesigned to provide a box for

- undergraduate payments received and a box for graduate payments received, along with applicable checkboxes.
7. Redesign Form 8863 “Education Credits” to:
 - a. Require reporting the name of the eligible educational institutions and its federal identification number, and
 - b. Provide lines for separately reporting qualified tuition payments from Form 1098-T apart from reporting eligible educational expenses other than amounts reported on Form 1098-T. The separate line item reporting will provide better clarity for reporting and also aid the computer match function.
 8. Communicate to students and parents that the taxpayer is ultimately responsible for amounts used on the tax return. Therefore, the taxpayer should maintain records of qualified educational expenses, and verify those against the Form 1098-T issued by the qualifying educational institution.
 9. Communicate the definition of “at least half time” to students and parents, as well as educational institutions and tax professionals.
 10. Provide guidance to educational institutions on the proper reporting procedures for Form 1098-T including addressing top errors.
 11. Reinforce with students, parents, eligible educational institutions, tax preparers, and software providers that a student is eligible to take the AOTC on their own tax return only if the student is not a dependent of another taxpayer.

12. Reinforce with students, parents, eligible educational institutions, tax preparers, and software providers that the credit is available to the taxpayer who claims the student as a dependent even when the name on the form is not the taxpayer's.
13. Provide assistance and a telephone number for students to contact if they have not received Form 1098-T, after contacting their institution.
14. Develop a process and possibly a substitute Form 1098-T for use by students when an institution does not comply with the reporting requirements.
15. Revise letters CP-02U and CP-02T to:
 - a. Define "one academic period."
 - b. Clarify that if a Form 1098-T is not received, the taxpayer should request Form 1098-T from their educational institution. Currently, the CP-02T states that an updated Form 1098-T should be requested; since the taxpayer has not received an original 1098-T from their educational institution, requesting an updated 1098-T can be confusing.
 - c. Include a link to Department of Education (DOE) for defining and determining if the institution is an "eligible educational institution."
 - d. Define the types of "programs" that are eligible for the AOTC at educational institutions.
16. Revise letter CP-02S. Currently, the instructions to the institution state that if a student was an undergraduate through May and then began graduate school, the "check if a graduate student" box should be marked. This would seem to lead to errors and confusion by both the taxpayer and the IRS. Also, define "one academic period" in the CP-02S.

17. Develop a survey to be distributed to educational institutions that may help the IRS gain a better understanding of the issues that these institutions have with the proper completion of Form 1098-T. See Exhibit A: Survey to Educational Institutions.
18. Implement the W&I American Recovery and Reinvestment Act AOTC Communication Plan dated May 9, 2011, which addresses the IRS's communication objectives. However, the terms "payment" and "credit" need to be clearly defined in the message.
19. Provide educational outreach to taxpayers, tax preparers, and educational institutions through the use of webinars, brochures, and tax tips. Interaction with the National Association of College and University Business Officers may also be beneficial.

EXHIBIT A: SURVEY TO EDUCATIONAL INSTITUTIONS

1. What type of institution are you?
 - a. 2 year
 - b. 4 year
 - c. 4 year plus graduate school
 - d. Technical/trade
2. What are the lengths of your academic periods?
 - a. 8 weeks
 - b. 10 weeks
 - c. 12 weeks
 - d. 16 weeks
 - e. Other
3. Do all your programs qualify for education tax credits? If not, how do you determine which qualify, and account for the separate tuition charges.
4. Do you have courses that can be taken by both undergraduate and graduate students for degree requirements? If so, how do you account for the separate tuition payments.
5. Do you require students to submit either a social security number or an individual taxpayer identification number?
6. Who prepares the Form 1098-T for your institution?
 - a. In house Enterprise Resource System (ERP)
 - i. Datatel
 - ii. Banner
 - iii. Other (identify)
 - b. Outsourced
 - i. (identify)

7. Does your institution report tuition payments received or amounts billed on Form 1098-T “Tuition Statement?”
8. Does your institution have difficulty distinguishing what payments are from grants?
9. Does your institution have difficulty distinguishing what payments are from scholarships?
10. Do you communicate to students that they may qualify for educational tax credits? If yes, what is your communication process?
11. What are your biggest challenges with the preparation of Form 1098-T?