

IRS News Release

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Teachers Should Save Receipts for Educators' Deduction

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WASHINGTON — As the new school year begins, the Internal Revenue Service reminds teachers and other educators to save their receipts for purchases of books and classroom supplies. These out-of-pocket expenses may lower their 2003 taxes.

The deduction is available to eligible educators in public or private elementary or secondary schools. To be eligible, a person must work at least 900 hours during a school year as a teacher, instructor, counselor, principal or aide.

Taxpayers may subtract up to \$250 of qualified expenses when figuring their adjusted gross income (AGI) for 2003. This deduction is available whether or not the taxpayer itemizes deductions on Schedule A.

The IRS suggests that educators keep records of qualifying expenses in a folder or envelope with a label such as "Educator Expenses Deduction," noting the date, amount and purpose of each purchase. This will help prevent a missed deduction at tax time.

This is scheduled to be the last year for this deduction. Last year's Job Creation and Worker Assistance Act put it in place for 2002 and 2003 only.

For more information, call the IRS Tele-Tax system toll-free at 1-800-829-4477 and select Topic 458. Or go to the IRS Web site at www.irs.gov and use its search engine to find Tax Topic 458.

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