

Tips for the First Time Filer

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This material is for informational purposes only and should not be relied upon for tax, legal, or accounting advice.

Before You File

- **Who Should File?**¹ Anyone who has taxes withheld from their paycheck
 - By law, dependent students making less than \$6,100/yr. do not have to pay taxes
 - **BUT**-If taxes are withheld from your paycheck, to not file is to donate to the IRS
- **Forms You Need:**²
 - W-2: You will have a W-2 for every job held in the tax year. If you don't receive one by February, contact your employer
 - 1098-T: Your college will give you this form containing information needed to claim education credit (tuition paid, grants/scholarships, and adjustments from last year).
 - 1098-E: You will get this form from your student loan lender if you paid more than \$600 on interest. Use this form to deduct your paid interest.

When You File

- **The 2 Easiest Ways to File:**
 - Free File:³ Online software provided by the IRS that makes filing an easy step-by-step process
 - Free to people making less than \$64,000/yr.
 - The Volunteer Income Tax Assistance (VITA) program:⁴ IRS-certified volunteers provide free in-person tax return preparation using electronic filing (must make \$54,000/yr. or less)
- **Deduct Education Expenses -or- Claim Education Tax (not both):**
 - Deduct up to \$4,000 of qualifying school expenses: tuition, fees, books, and class materials
 - American Opportunity Credit:⁵ claim up to 4 times while enrolled as undergrad
 - Must be at least part-time for one semester during the tax year
 - Max of \$2,500 a year, with up to \$1,000 available even if you don't owe any taxes
 - Lifetime Learning Credit:⁶ Can claim up to \$2,000 every year you have college expenses
 - No limit to number of years you can claim and no enrollment requirement
- **Keep in Mind:**
 - You can only **choose one** of the above options- Deduct expenses, or claim ONE education credit
 - Tax day is **April 18**- plan ahead and start early to minimize risk of errors.

Links

¹[Expert Advice: 8 Tips for Students Filing Taxes for the First Time](#)

²[Tax Guide for College Students](#)

³[Free File: Do Your Federal Taxes for Free](#)

⁴[VITA program: Free Tax Return Preparation for Qualifying Taxpayers](#)

⁵[IRS, American Opportunity Tax Credit](#)

⁶[Lifetime Learning Credit](#)

[IRS's Understanding Taxes Student Site](#)

Taxes