

Frequently Asked Questions for Filing Taxes

How do I know if I have to file taxes?

Here are some basic guidelines for you to follow. In general you should file taxes if:

- Your filing status is single and your gross income was at least \$8,950
- Your filing status is married filing jointly and your gross income was at least \$17,900
- Your filing status is married filing separately and your gross income was at least \$3,500
- Your filing status is head of household and your gross income was at least \$11,500
- Even if you do not otherwise have to file a return, you should file one to get a refund of any federal income tax withheld.
- You should also file if you are eligible for the earned income credit, additional child tax credit, health coverage tax credit, or refundable credit for prior year minimum tax.
- If you did not receive an economic stimulus payment for the full amount, you may be eligible for a [Recovery Rebate Credit](#).

Please be sure to visit www.irs.gov for your specific filing requirements.

Are there any tax reductions for students?

Your best source is a publication created by the IRS called Tax Benefits for Education, Publication 970, found at www.irs.gov/pub/irs-pdf/p970.pdf.

1. **The Lifetime Learning Tax Credit** is an educational credit up to \$2,000 that can help to reduce your taxes. Your eligibility is based on the cost of tuition and fees for the current tax year.
2. **Tuition and Fees Deduction** - This deduction is taken as an adjustment to your income and may be beneficial to you if you cannot benefit from the lifetime learning credit because your income is too high. (This benefit cannot be used with the Lifetime Learning Credit and is usually less advantageous.)
3. **Student Loan Interest Deduction** is a deduction for paying your student loan interest on time. It only applies to borrowers who are in repayment and obligated to pay interest.
4. **Earned Income Credit** is a refundable federal income tax credit for low-income working individuals and families.

Are grants, fellowships and scholarships taxable income?

Generally, grants, fellowships and scholarships received in excess of tuition and fees are considered taxable income. Clear guidelines are set forth on the IRS website at www.irs.gov/individuals/students/article/0,,id=96674,00.html.

Are loans taxable income?

Loans are not considered to be taxable income although the interest you pay on them may serve as a deduction on your taxes.

Are SFF and Federal Work-Study taxable income?

SFF and Federal Work-Study are considered to be taxable income, even if you do not receive a W-2 form.

What forms will I need to file my taxes?

1. W-2 forms (mailed to you by your employer)
2. 1098-E (mailed to you by your lender if you have capitalized or paid interest on your student loans during the tax year)
3. 1098-T (available each year by January 31 if you were registered for an academic term during the tax year and may be viewed/printed in [Wolverine Access](#) (Student Business, Financial Information, View Form 1098-T).

For other required forms that may apply to you please visit www.irs.gov.

How should I file?

If your 2008 adjusted gross income was \$56,000 or less, you can e-file for free by using Free File at www.irs.gov. Please note there is a charge for state taxes. State taxes may instead be filed directly and possibly for free at most state websites.

Is there a deadline for filing taxes?

The deadline is April 15, 2009. If you file after the deadline you may have to pay interest and penalties. If you need more time please visit www.irs.gov.

None of the information here is to be considered tax advice but should serve only as a general guideline to be confirmed by the IRS, your accountant or a tax preparer.