



Job-related Graduate Course Certification Guide & Form

For employees receiving NON-TAXABLE Tuition Exemption Benefits for JOB-RELATED graduate courses

Instructions

Please submit this form together with your *Tuition Exemption Form* (obtained via the Benefits Enrollment System at www.hr.columbia.edu) at the beginning of the term to the appropriate office (depending on where you are registering for classes). REMEMBER THAT BOTH YOU AND YOUR SUPERVISOR NEED TO SIGN THE FORM. Please detach these instructions before handing in the form.

If this form is not on file, your tuition benefits for graduate classes, beyond the first \$5,250 in a calendar year as a graduate student, will be taxed.

Eligibility

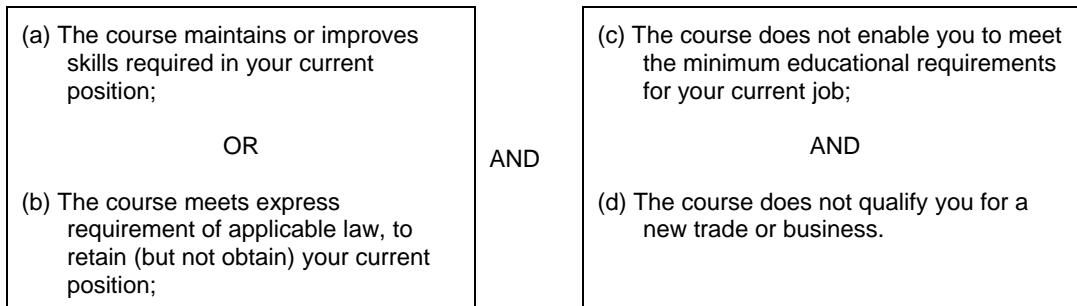
If you are enrolled in an undergraduate degree program, you do not need to complete this form. Graduate-level courses taken as part of undergraduate programs are not taxable.

Complete this form (1) if you receive Tuition Exemption for graduate courses (4000 and above) or a graduate degree program, and (2) if you believe the classes you take meet the Internal Revenue Service definition of job related (see "IRS Tax Regulations" below).

Note that the University will deduct taxes for ALL of your courses in a given term unless ALL of them are job related. (You may later file with the IRS for reimbursement for any course that is job related.)

IRS Tax Regulations

Under current IRS rules, tuition exemption benefits for graduate courses are taxable unless courses are job related. A course is job related (and the benefit is tax exempt) if it meets the criteria in Treasury Regulation Section 1.162.5, namely:



In other words, a course is considered job related if either (a) or (b) is true, **and** if both (c) and (d) are true.

Currently, all doctoral programs are taxable. The IRS considers these programs or degrees upward-bound education that may qualify you for a new trade or business as defined by IRS criteria. Master's degrees may or may not be taxable, depending on whether the courses may qualify you for a new trade or business.

Keep in mind that tax laws are complicated and change often. Your best source of information about tax laws and how they affect you is a professional tax advisor.



Frequently Asked Questions

If you are still unsure about whether you should complete this form after reviewing these questions, you should consult an accountant or tax attorney, as the University cannot give you personal tax advice.

Q: How do I know if the course or program I am taking is job related?

A: The four questions on Page 1 should help you determine if a course meets the IRS definition of "job-related."

Q: If I am taking graduate courses to improve my chances for a pay raise or promotion, does that mean I cannot claim they are job related?

A: Not automatically. The IRS has held that courses that improve or refresh skills used by an individual in a current job are not necessarily disqualified simply because they increase the chances for a salary increase or promotion. This is an issue where you should seek professional tax advice.

Q: Do I need to be enrolled in a graduate degree program to obtain the tax benefit, or does it apply to graduate courses not taken as part of a degree?

A: You do not need to be enrolled in a degree program to obtain the tax benefit.

Q: Do I need to complete this form if I am enrolled in an undergraduate degree program and am taking a graduate course as part of the program?

A: No. If you are enrolled in an undergraduate degree program, all courses are non-taxable.

Q: What if my supervisor and I need help to determine whether a course is job-related?

A: In the unusual circumstance where extensive discussion has not established a course's eligibility to both your and your supervisor's satisfaction, you may submit this form to the Associate Controller for Disbursements for review. Please also include a copy of your job description and a letter stating why you believe the course qualifies.

Q: What if I am taking one course that is job related, and one that is not?

A: Unless ALL courses being taken during one term are job related and exempt from taxes, ALL of the courses will be treated as taxable, and taxes will be withheld on ALL of the courses. (Note that for job-related courses, you will be able to file with the IRS for a reimbursement.)

Q: If I've already had taxes withheld for the Spring 2008 semester, can I be reimbursed by the University instead of waiting until April to be reimbursed by the IRS?

A: Unfortunately, the new procedure will only be implemented moving forward. It has not been designed to reimburse employees for past deductions.

Q: Can I use this form for graduate courses being taken by my spouse, same-sex domestic partner, or child?

A: No. This form is to be used only for courses taken by an employee of the University. In the case of spouses, partners, or dependents, applicable taxes will continue to be deducted from your paycheck.

Q: Does this form apply to courses taken at Teachers College?

A: Yes. It applies to any graduate courses taken by Columbia employees through Tuition Exemption



Job-Related Graduate Course Certification Form

I. Employee

Employment Information

Term: Fall Spring Summer Year: _____

Last Name: _____ First Name: _____

Job Title: _____ Work Phone: () - _____

Department: _____ Mail Code: _____

Supervisor: _____ Hire Date (mm/dd/yyyy): / /

1. What is your present position at Columbia University?
2. What is the minimum educational requirement for this job?
3. What graduate courses do you intend to take and why?
4. How are these courses going to assist you in your present job?

Education Objective—Degree Program

Remember that you must submit a new Certification for every term.

Degree Program: _____

Start Date (mm/dd/yyyy): / / Completion Date (mm/dd/yyyy): / /

Relation to Current Position (if you need more space, please attach a sheet of paper):

Education Objective—Individual Courses (if you are not in a degree program)

Remember that all of your courses must be job-related to avoid tax deductions.

Course #1: _____ Course Number: _____

Relation to Current Position (if you need more space, please attach a sheet of paper):

Course #2: _____ Course Number: _____

Relation to Current Position (if you need more space, please attach a sheet of paper):

Course #3: _____ Course Number: _____

Relation to Current Position (if you need more space, please attach a sheet of paper):



II. Supervisor

1. What is the employee's current position at Columbia University?

2. What is the minimum educational requirement for this job?

3. What courses are you suggesting the employee take in order to assist him/her in his/her present position?

4. How are these courses going to assist the employee in his/her present position?

III. Employee and Supervisor Certification

I hereby certify that all the courses I am taking this term meet the IRS definition of job related as defined in Treasury Regulation Section 1.162.5. I also understand that tuition exemption benefits for any courses that are not job related are considered taxable wages, and that, should the IRS determine that the above courses are not job related, I am responsible for any assessed taxes and penalties.

Employee's Signature: _____ **Date (mm/dd/yyyy):** _____

I certify that I am this employee's supervisor or department head, that this form is accurately completed, and that the course on program is job related as defined by the IRS, to the best of my knowledge.

Supervisor's Signature: _____ **Date (mm/dd/yyyy):** _____

Note: Courses that enable the employee to pursue a new trade or career would NOT be considered job related.