Job-Related Graduate Education Certification Policy

Columbia University provides employees who are using Tuition Exemption benefits, the opportunity to certify that their graduate-level education at Columbia University is job-related per IRS tax regulation. That regulation allows the value of job-related graduate programs and courses to be eligible for federal tax exemption.

- **This Policy Addresses:**
  - Graduate-level Courses (4000 and above) taken as part of a non-degree program
  - Graduate-level Degree Program or Post-Baccalaureate Certificate Program courses (4000 and above)

- **This Policy Does Not Address:** Undergraduate degrees (because the value of Tuition Exemption for employees’ undergraduate degrees is not taxable) and doctoral programs (per IRS regulations, the value of employer-paid doctoral programs is never exempt from taxation). This policy also does not address courses taken outside Columbia University since these are not covered by Tuition Exemption, nor does it address courses taken by your eligible family members.

- **IRS Tax Regulation** In general, the IRS considers the value of graduate-level Tuition Exemption benefits exceeding $5,250 in a calendar year to be imputed income and taxable. However, per IRS Department of Treasury Regulation Section 1.162.5., graduate-level education which meets the following IRS criteria can be certified as job-related, and thus be exempt from Federal taxes.

  (a) The education maintains or improves skills required in your current job.

  OR

  (b) The education is required by your employer or the law to keep your present salary, status, or job. The required education must serve a bona fide business purpose of your employer.

  (c) The coursework is not needed to meet the minimum educational requirements of your current job.

  AND

  (d) The coursework is not part of a program or study that will qualify you for a new trade or business, nor is it a Ph.D. or other doctoral program.

  Note: As long as the job-related course or program “improves skills needed for the current job based on the skills identified in the job description,” it does not qualify you for a new trade or business.

To comply with the IRS job-related criteria, either (a) or (b) must be true, and both (c) and (d) must be true. If your graduate-level education is certified as job-related, Columbia University will not withhold taxes on the tuition it pays toward your Tuition Exemption Benefits.

**Important:**

- Graduate-level courses taken as part of a non-degree graduate program are evaluated per individual course.
- A graduate-level degree program or post-baccalaureate certificate program is evaluated as an entire program of study.

To apply for this benefit, visit [http://hr.columbia.edu/benefits/tuition/graduate-cert](http://hr.columbia.edu/benefits/tuition/graduate-cert) and fill out the appropriate form, depending on whether you are taking graduate courses in a degree program, or in a non-degree program. Please refer to the Employee Instructions for guidance.