Job-Related Graduate Course Certification Guide & Form

Please complete this form only if you are an Officer or Support Staff Member enrolled in a Master’s Level program at Columbia or Teachers College and your courses are job related.

If this form is not completed and signed by you and your supervisor, and submitted along with your Tuition Benefit Eligibility Form, before the last day of the Change of Program Period, the University will treat your tuition benefits for graduate classes, beyond the first $5,250 in a calendar year as a graduate student, as taxable income.

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 degree programs are not taxable.

Instructions

Please submit this form together with your Tuition Benefit Eligibility Form (obtained via the CU Benefits Enrollment System at www.hr.columbia.edu) before the last day of the Change of Program period 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.

Eligibility

Complete this form (1) if you receive Tuition Exemption for graduate courses (4000 level 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 “Job-Related Courses” below).

Note that the University will deduct taxes for ALL of your tuition exempt courses beyond the first $5,250 in a calendar year 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.)

JOB-RELATED COURSES

A course is job related (and the tuition benefit is tax exempt) if it meets the criteria in Treasury Regulation Section 1.162.5, namely:

(a) The course maintains or improves skills required in your current position;

OR

(b) The course meets express requirement of applicable law, to retain (but not obtain) your current position;

AND

(c) The course does not enable you to meet the minimum educational requirements for your current job;

AND

(d) The course does not qualify you for a new trade or business.

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

IRS Tax Regulations and Imputed Income

Under current IRS rules, tuition exemption benefits for graduate courses are taxable unless courses are job related. In addition, the IRS considers all doctoral programs 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.

Imputed income means that you pay taxes on the cost or value of your tuition benefits in excess of $5,250.

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.
Job-Related Graduate Course Certification: 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 section “Job-Related Courses” 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: I am enrolled in a doctoral program. Are my tuition benefits taxable?
A: Yes, all doctoral programs are taxable and subject to imputed income for costs that exceed $5,250 annually.

Q: What does imputed income mean?
A: Imputed income means you pay taxes on the cost or value of your tuition benefits in excess of $5,250 annually.

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 you and your supervisor’s satisfaction, you may submit this form to the HR Client Manager 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 current semester, can I be reimbursed by the University instead of waiting until April to be reimbursed by the IRS?
A: No, the University will not 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 at Columbia or Teachers College through the Tuition Exemption Policy. However, it does not apply to graduate courses outside the University.
Job-Related Graduate Course Certification Form

I. Employee

Employment Information

Term: [ ] Fall  [ ] Spring  [ ] Summer  Year: __________

Last Name: __________________________ First Name: __________________________ UNI: __________

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 be tax-exempt. All doctoral program courses are taxable and subject to imputed income.

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):
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 information on this form is true and accurate to the best of my knowledge. I also 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, described on page 1 of this form. I 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 taxed and penalties. **All doctoral programs are taxable and subject to imputed income.**

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 or 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.