Financial Aid For American Students

Produced by the University of Worcester Finance department

University of Worcester

www.worcester.ac.uk

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What financial aid is available?

There are three types of loans available to American students studying at the University of Worcester

1. Federal Direct Loans
2. Federal Direct PLUS Loans
3. Private Loans (via Sallie Mae)

Which to choose?

Federal vs. Private Loan

Students are advised to take any Federal Loan they are entitled to before considering any other type of loan due to the competitive interest rate and repayment benefits they offer. A detailed comparison of Federal and Private Loans is published via the Federal Student Aid website.

1. Federal Direct Loans

The Federal Direct Stafford Loan has a low interest rate (fixed by the US government) and is available to both undergraduate and postgraduate students. The loan is divided into two parts: subsidised and unsubsidised. There are annual and aggregate limits in place which determine how much you can borrow. The limits are given on the Federal Student Aid website.

- **Direct Subsidised Loan**
  The subsidised loan is awarded on the basis of financial need. If you're eligible, the government will pay (subsidise) the interest on your loan whilst in university and for the first six months after you leave (known as a grace period).

- **Direct Unsubsidised Loan**
  You will be responsible for the interest on an unsubsidised loan from the time the loan is disbursed, until it is repaid in full.

For both types of loan, you can claim in-school deferment whilst enrolled at least half-time (part-time) in a degree or certificate program of study.

2. Federal Direct PLUS Loans

- **Direct Grad PLUS Loan**

  The loan is an unsubsidised federally guaranteed educational loan with no annual or aggregate limits. However, you may only borrow as much as you need (as determined by your costs of attendance – see Study Costs). The loan is only available to students studying on a graduate or professional (law or teacher training) program.

  A credit check will be performed during the application process. If you have an adverse credit history, you may be able to obtain a suitable endorser allowing you to obtain the loan.

  There is no grace period and the loan enters repayment as soon as the funds are disbursed to the borrower. It has the same deferment and forbearance options as the Federal Loan.

  As such, graduate and professional students can postpone repayment using in-school deferment whilst enrolled at least half-time (part-time) in a degree or certificate program of study.

  Entrance counselling specifically for Graduate/Professional PLUS borrowers is available online, which includes a calculator to estimate monthly repayment amounts.

- **Direct Parent PLUS Loan**

  The Direct Parent PLUS Loan helps parents pay for the cost of education for a dependant who is enrolled as an undergraduate at the University. The interest rate is fixed for the life of the loan.

  A credit check will be performed during the application process. If you have an adverse credit history, you may be able to obtain a suitable endorser allowing you to obtain the loan. The endorser cannot be the child on whose behalf you are borrowing.

  Entrance counselling specifically for Parent PLUS borrowers is available online, which includes a calculator to estimate monthly repayment amounts.

Eligibility

Federal Loans are only available for students who have a physical presence at the University (Distance Learning programs are **ineligible**, but you may be considered for a Private Loan).

For more information about general eligibility criteria, please see who is eligible for a federal loan – see Remaining Eligible for Federal Aid

Interest rates for Federal Loans

Under the Bipartisan Student Loan Certainty Act of 2013, interest rates are established each year for Federal Loans for which the first disbursement is on or after July 1 through to the following June 30. The interest rate for a loan, once established, applies for the life of the loan. Interest rates are published via the Federal Student Aid website.

3. Private Loans

Private loans may be available. One type of loan currently offered to students attending a foreign university (outside of the USA) is the Smart Option Loan from Sallie Mae. There are no origination fees and the interest rate will depend on your credit history and that of a co-signer. For more detailed information, visit our dedicated private loans page. The University does not endorse any private loan lenders.

Study Costs

The total amount of money that a student requires for educational purposes is known as the Cost of Attendance (COA).

Cost of Attendance (COA)

Federal law allows your COA to include:

- tuition fees;
- an allowance for books, supplies and transport;
- an allowance to cover room and board (rent or hall charges);
- an allowance for dependent care if necessary;

- an allowance to assist with any disability;
- coverage of any charges or premiums associated with a Federal Loan

As part of the loan application process, you will have the opportunity to tell us about the costs that you will face as an individual. When calculating your COA, a number of costs are decided by the University in accordance with average costs.

General Living Allowance

Within your COA an amount will be included as a 'general living allowance'

- Food and toiletries
- Transport
- Utilities (gas, electric, etc.)
- Clothing and leisure
- Cell phone
- Books/photocopying and other study related items

As part of your loan application, you will be able to provide individual cost for:

- Tuition Fees - email americanloans@worc.ac.uk for relevant year's fees
- Accommodation – email americanloans@worc.ac.uk for relevant year's fees
- Return airfare to the USA;
- Visa application fees, including Immigration Healthcare Surcharge
- Childcare during term time (for dependent children);
- Cost associated with a disability;
- Additional study costs (e.g. attendance on field trips, conferences etc. which are imperative to the completion of the degree program.

Budgeting resources

The US Department of Education provides several budgeting resources to help you prepare for the costs you may face whilst at University:

- Creating your budget
- Budgeting tips
- Financial Awareness Counselling Tool (FACT)

Eligibility to Federal Aid Loans

Most students are eligible to receive Federal Aid from the U.S Department of Education to pay for their educational costs; however, the amount you receive may vary depending on your circumstances.

General eligibility

To be eligible for a Federal Loan, you must:

- be a US citizen or permanent resident with a valid social security number;
- hold a high-school diploma or equivalent;
- not be in default on any prior student loan or owe a refund on any grant;
- be registered for Selective Services if you are male (or be exempt from registering); and
- be accepted onto at least a half-time (part-time) program of study at the University of Worcester and hold a valid student ID number.

Restrictions on Federal Loans

The following restrictions apply for Federal Loans:

- students may not enroll in programs of study that include online education except as part of an in-person course where online methods are used to supplement the in-person teaching.
- students may take only up to 25% of their program of study at an institution in the United States as long as that college or university is itself eligible for Federal Student Aid. Different rules apply for PhD students. Please contact the International Office for more information.

- students may take only up to 25% of their program of study at another non-US college or university unless that institution is itself also eligible for Federal Student Aid.
- programs including internships are not available to US students.
- Students who will be studying on a course that involves a long placement period, such as Nursing or Medicine, will not be eligible for Federal Aid.

Dependency status

Your dependency status will be determined by the questions you answer within the Free Application for Federal Student Aid (FAFSA) and will affect the amount of Federal Loan you are entitled to.

Dependent Student

For the purposes of administering Federal Aid, you will be classified as dependent if you:

- are under 23 years of age at the time of completing the FAFSA;
- are not currently, or have ever been married;
- are registered for a Bachelors level program;
- have no children who receive more than half of their support from you;
- have no other dependants who live with you and receive more than half of their support from you;
- are **not** currently homeless, emancipated or in a legal guardianship (as determined by court);
- have never been in care or a ward or dependant of the court;
- are **not** the child of deceased parent(s) since the age of 13;
- are **not** currently serving as, or a veteran of, the U.S. armed forces.

Independent Student

For the purposes of administering Federal Aid, you will be classified as an independent if you fit into one of the following categories:

- older than 23 years at the time of completing the FAFSA;
- currently or have been married at the time of completing a FAFSA;
- a parent;
- a veteran;
- a ward of the court.

All graduate/professional students are considered independent for the purposes of administering Federal Aid.

Direct Loan Application Process

You will need to complete a number of steps in order to obtain a Federal Direct Stafford Loan. Please be aware that the University will not automatically offer you a loan, regardless of the information you may have received from Federal Student Aid on completion of your FAFSA.

Before applying

Ensure that you have familiarised yourself with all the types of loan at the University, including eligibility criteria and any exemptions.

If you are only applying for a Private Loan please visit our dedicated Private Loan webpage for information on how to apply, as the process will be different to that listed below.

When to apply for a loan

The University will only process applications for Federal or Private Loans from July 1, prior to the start of the academic year. Any applications received before this date will be pended until the relevant time. Please be aware that your FAFSA can be completed from January 1.

Follow these 7 steps to ensure that you receive your loan(s)

Step 1. Complete the FAFSA

You will need to complete a Free Application for Federal Student Aid (FAFSA), which can be completed online via the FAFSA website.

The FAFSA has seven steps that ask you about your personal details (Social Security Number, driver's license, etc.), your financial information and your School plans. On completion, you will receive a 3 page Student Aid Report (SAR) sent to your e-mail address.

Please ensure that you enter the school code **G41286** for the University of Worcester so that we will automatically receive a copy of your SAR.

Please note, we do not send our financial aid offers based on this information alone, you must complete steps 2-7 below.

Step 2. Check your Student Aid Report (SAR)

The University will use the information in your SAR to confirm eligibility for a loan; therefore you must check that the information is correct.

You should:

- have an Expected Family Contribution (EFC) figure;
- be a US citizen or permanent resident;
- be registered with Selective Service (males only), unless exempt.

Step 3. Complete the University's Loan Request Form

Login to your SOLE page and complete the American Loans Request Form. If you have any problems, please email americanloans@worc.ac.uk

Step 4. Review your Loan Recommendation

The amount of money you can borrow is partially determined by your eligibility and by how much money it will cost you to participate in your studies. This is known as the Cost of Attendance (COA).

Once you have completed your American Loans Request Form (via SOLE), a member of the finance team who look after American Loans will provide you with a Cost of Attendance (COA) breakdown and a loan recommendation (in the form of an Excel spreadsheet) which the $ will be calculated at the highest exchange rate over the previous 12 months.

You can use this recommendation to determine how much you need to borrow from each type of loan available to you.

Direct Loans have borrowing limits which are determined by the level of study you are undertaking and your dependency status; these limits cannot be exceeded and any additional funds required should be taken as PLUS or Private Loan.

To view the aggregate and annual loan limits visit the Federal Student Aid website.

Please note, the total amount of money that you request should not exceed the amount calculated on your Cost of Attendance (COA).

Step 5. Complete a Master Promissory Note (MPN)

Before we can process any Federal Loan request, you will need to complete a Direct Loan MPN. Students are strongly encouraged to make an electronic application via Student Loans.

A separate MPN will need to be completed for each type of loan you intend to borrow, including:

- Direct Loan Subsidized/Unsubsidized
- PLUS

A new MPN will be required for each academic year (loan period) that you borrow.

The MPN is a binding legal document between you and the U.S. Department of Education (ED) that outlines the terms of your loan.

Please note, you should keep a copy for your own personal reference and forward an electronic copy to the University (see Step 7).

If you would require a paper copy of your MPN to sign, you will need to request one

by contacting COD Applicant Services on 1-800-557-7394 FREE.

Students borrowing a Private Loan (Sallie Mae) will be required to complete an e-Promissory Note as part of the loan application.

Step 6. Complete Entrance Counselling

It is a legal requirement that all first-time Direct Loan borrowers receive entrance counselling. This will help to ensure that you are aware of your rights and responsibilities as a borrower. Entrance counselling must be undertaken before any money can be released to you.

Entrance counselling is available via Student Loans.

Due to the serious nature of borrowing, the University of Worcester recommends that continuing students undertake entrance counselling on an annual basis to help make informed borrowing decisions; however, this is not a legal requirement.

In addition to entrance counselling, the US Department of Education provides an online resource known as Financial Awareness Counselling Tool (FACT) to help borrowers estimate their total debt and repayment amounts upon leaving University.

Please note, if you are a first-time borrower, you should save a copy of your completion certificate as the University will need to verify this before we can release your loan (see Step 7).

Step 7. Confirm loan amount and submit documents

Following the receipt of your loan recommendation, you will be need to confirm in writing (via email) how much you intend to borrow (to the nearest dollar) from each type of loan available to you. You will need to attach the following supporting documents and send these to the finance department at americanloans@worc.ac.uk :

- a copy of your MPN for each type of loan;
- a copy of your entrance counselling certificate (first-time borrowers only)

Once these documents have been verified, we will process your loan request via the U.S. Department of Education's Common Origination and Disbursement (COD) website.

Once approved, the appropriate loan amounts will be collected by the University on your behalf at the relevant time.

What happens next?

You will receive written confirmation of the approved loan amounts (after deduction of origination fees) and anticipated disbursement dates.

This document meets the requirements of the UK Border Agency in order to help you obtain your Visa; the letter will be sent to you as a PDF on official University letterhead.

Please note that the stated disbursement date on the letter is the date we intend to make your loan payment (after the deduction of any University fees). With international banking, however, there can may delays outside of our control.

For more information, visit Disbursements

Private Loan

The Smart Option Loan provided by Sallie Mae is one private loan available to American students studying at the University of Worcester. Loans offered by other companies may also be available. The University does not endorse private loan lenders.

Who needs a private loan?

All students may apply for a private loan (subject to credit history). However, the University encourages any student eligible for a Federal Loan to utilise this type of aid in the first instance.

A comparison of Federal Loans and Private Loans is available via Federal Student Aid.

Before applying for a Smart Loan via Sallie Mae, we recommend you undertake an entrance counselling course to ensure you fully understand the principles of borrowing and repayment. You can undertake entrance counselling via www.studentloans.gov.

Consider taking out any Federal Stafford Subsidized/Unsubsidized loans you are entitled to before taking out a private loan.

How do I obtain a private loan?

To receive the loan you must complete a number of actions prior to applying:

Submit an American Loan Request Form (via SOLE) to the University of Worcester, you will then be contacted by a member of the finance team for American Loans who will finalise your Cost of Attendance (COA) figure.

Using your agreed Cost of Attendance (COA) figure as a guide, apply for the loan (you may borrow less, but no more than the agreed COA).

Once you have applied online, send a copy of your Promissory Note to a member of the finance team for American Loans. The Promissory Note forms part of the application process.

What happens next?

The University will confirm receipt of your information and will liaise with the lender. Once your loan has been approved, your designated assessor will contact you via email to confirm it has been processed and will provide information regarding loan disbursement. You will also receive an email from from the lender confirming origination.

How will it be paid?

Loans are typically disbursed by cheque to the University.

Once the money has cleared, Finance will deduct any tuition/accommodation fees and any other balances owed to the University from the disbursement and any remaining amount will be paid into your UK bank account.

Please submit your UK bank account details to the Finance Department once you have opened an account.

Can I claim in-school deferment?

All students who take out a loan to study at the University of Worcester are automatically reported to the National Student Loan Database System (NSLDS) for in-school deferment.

For more information visit our specific webpage on Deferment.

When will I enter repayment?

Once you have graduated or your status drops below half-time (part-time) you will automatically enter repayment with your loan servicer.

For more information visit our specific webpage on Repayment.

How your loan is paid

Any federal or private loan processed by the University will be used to credit your tuition fees and other charges first, before any excess funds are returned to you.

What are disbursements?

These are the actual dates that your funds will be credited against your University fees. This is also the date from which your loans will start to incur interest; please refer to you Master Promissory Note (MPN) for the exact rate of interest as it will vary across different loans.

You will be informed of the disbursement dates once your loan has been originated via a formal notification letter sent to you from the Finance Department. Each loan disbursement is subject to you maintaining satisfactory academic progress (SAP) and there are no changes in your status.

How are my tuition fees/accommodation fees credited?

Your loan will be used to credit your tuition fee and accommodation fee charge (if living in University-owned halls of residence); this will be credited proportionately:

- 33% from first loan disbursement
- 33% from second loan disbursement
- 34% from third loan disbursement

Students undertaking a **distance learning program** and in receipt of a private loan should make arrangements to pay their tuition fees directly to the University once funds have cleared into their US bank account.

How will I be paid any excess funds?

You may borrow up to your Cost of Attendance (COA) therefore anything you borrow towards living costs will be viewed as an excess.

Do I need a UK bank account?

Once your loan has been taken from the US Department of Education, the funds are converted into GBP (£). To receive any excess, you will need to open a UK bank account, thus preventing any additional conversion charges. If you are unable to open a UK bank account until you arrive, please notify the University in writing (or email) stating that the University may hold any funds on your behalf until such time that you can supply the relevant bank details.

Payment details

- Payments will be made into your UK bank account by the University
- All payments will be made in pounds sterling (GBP).
- You will receive an email confirmation from the American Loan administrator that they funds have been paid and when they will credit your account.

Your right to cancel

Before your loan money is disbursed, you may cancel all or part of your loan. Your request will need to made in writing 14 days before the disbursement date listed on your notification letter and include:

- Your full name
- Your social security number
- Your student ID number
- The name of the loan you wish to reduce and the value you wish to reduce it to.

Please send any request by email to americanloans@worc.ac.uk with the subject 'Cancellation of American Loan'.

After your loan has been disbursed, you have 120 days to return the money without incurring any interest charges. Details on how and where to return the money can be obtained from your loan servicer.

If you received an up-front interest rebate on your loan, the rebate does not apply to the money you or the school returned.

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Withdrawal from your programme

If you choose to withdraw from your programme you **must** inform Student Records at the University as soon as possible.

It is a legal requirement that the University does a Title IV calculation to determine how much needs to be returned the US Department of Education including any refunds of tuition or accommodation fees.

For more information visit, change of circumstances

Please note that the date of your withdrawal is also the date that you become responsible for repaying your loan.

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Remaining eligible for Federal Aid

All students applying for or in receipt of a Federal Loan (Subsidised, Unsubsidised and PLUS) must make satisfactory academic progress towards the completion of a chosen programme in order to remain eligible to receive their loans.

How do I ensure I retain eligibility for my loans?

Satisfactory progression to retain Federal Aid is entirely separate from the academic requirements of the programme.

In order to retain eligibility, you:

- Should not exceed 150% the published time frame for the course and should remain enrolled on at least part-time (half-time) status.
- Should pass any taught modules with a minimum of 40%
- Should meet any relevant contact points each term as required - if any contact point is missed, you may lose entitlement to financial aid or be required to provide evidence of extenuating circumstances.

How does the University check my academic progress?

Prior to an anticipated loan disbursement, the University will review your central record which is maintained by Student Records. If any discrepancies occur, you will be contacted by Finance in the first instance.

Glossary of Terms

See US Federal Student Aid -**Satisfactory Academic Progress (SAP)**

A measure of your continuing eligibility for a Federal Loan, based on academic contact points being met, satisfactory attendance and minimum grade achievement.

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In-School Deferment

In-school deferment allows you to temporarily suspend payments on any previous loans (Direct, PLUS or Consolidation) whilst you are studying. It will also ensure that you are not charged interest on your current Direct Subsidised Loan.

What is deferment?

Deferment is a temporary period during which a borrower is not required to make any repayments and the interest is temporarily delayed.

Am I eligible?

To be eligible for in-school deferment, you must be enrolled at the University at least part-time (half-time). For students in writing up status (also known as 'Continuation Status' or 'Thesis Awaited') you are classed as 'half-time' for enrolment reporting purposes, therefore eligible for in-school deferment.

How long does the deferment period last?

The deferment period will last as long as you maintain enrolment on your program of at least part-time (half-time) whilst maintaining satisfactory academic progress.

How do I apply for an in-school deferment?

For students who have borrowed a federal loan whilst at the University of Worcester, we automatically submit enrolment data to the National Student Loan Data System (NSLDS) verifying attendance. As this is completed electronically, there is no requirement to complete a paper form. Once data has been submitted to NSLDS, your enrolment status is automatically communicated to your current and previous lenders.

You can review your NSLDS record via www.nslds.ed.gov

Are there any other types of deferment?

You may also be eligible for deferment under the following conditions:

- Study in an approved graduate fellowship program or an approved rehabilitation training program for the disabled.
- Seeking but unable to find full time employment.
- Economic hardship.
- Military service.

It is recommended that you contact your loan servicer to discuss any other deferment options. For more information visit the website - https://studentaid.ed.gov/sa/repay-loans/deferment-forbearance

Repayment of Federal Loans

Repayment of Federal Loans is a very serious obligation. There are a number of repayment options available to help borrowers to meet their obligations.

The importance of repayment

Remember, you are required to make your student loan payments even if you:

- do not complete your education;
- are not employed upon completion of your studies;
- do not find employment in your field of study;
- feel that the education you received did not meet your expectations;
- you do not receive a bill.

You must make your loan repayments on time or it may have serious consequences. Delay or non-repayment may:

- damage your credit rating, which could impact your ability to borrow;
- be referred to a collection agency;
- incur collection costs;

- cause garnishment of your wages;
- cause withholding of your state or Federal treasury payments (including federal tax refunds, Social Security benefits, etc.);
- cause a civil lawsuit, including court costs and legal expenses;
- cause loss of deferment and forbearance entitlements and flexible repayment options;
- cause loss of eligibility for further financial aid;
- suspend your professional licence.

Repayment options

There are a number of repayment plans available. You should discuss them with your lender to determine which will be the best for you:

- Standard repayment plan
- Graduated repayment plan
- Extended repayment plan
- Income-driven repayment plans (including Income-based, income-contingent and pay as you earn)
- Income-sensitive repayment plan

What is a 'grace period'?

A period of time after you graduate, leave school, or drop below half-time (part-time) enrolment before you enter loan repayment. Both Direct Loans (Subsidised and Unsubsidised) qualify for a six-month grace period before any repayments are due.

There is no grace period for a Grad PLUS or Parental PLUS loan and they will enter repayment once they have fully disbursed. You may be eligible for a deferment and should contact your loan servicer for information.

I am having difficulty repaying my loans, what should I do?

You must speak to your servicer. You can discuss the following

Deferment

If you are struggling to make your repayments you need to speak to your lender about a deferment. A deferment is a period of time during which your lender temporarily suspends your regular payments. You will need to continue making repayments until your lender has approved the deferment. During the deferment you still will incur interest on any unsubsidised direct loan and any other types of loans.

Forbearance

If you are unable to make your scheduled payments but do not meet the criteria to qualify for a deferment, the lender/holder has the discretion to allow you to:

- Reduce the amount of your payment
- Temporarily stop making payments

You must contact your lender/holder to request forbearance and continue making repayments until a forbearance is agreed.

For more information, visit the Federal Aid website.

Change of Circumstances

If there have been any changes to your circumstances since your loan period commenced, you need to ensure you let the University know.

What qualifies as a change of circumstances?

Typical changes include:

- Transferring degree programs
- Study mode, e.g. from full-time to part-time, extending, etc.
- Personal details e.g. permanent address or name, etc.
- Taking a temporary leave of absence
- Permanently withdrawing from your program

Many of these changes require you to inform appropriate channels such as your tutor, your Institute or Registry.

Any changes in circumstances must be notified to the University as soon as possible, as it may affect your entitlement to Federal Aid.

How will a leave of absence affect my Federal Aid?

If you are considering taking a leave of absence, you should follow University procedures by discussing the matter with your tutor/school first. Any leave of absence of **180 days or more** will be considered as permanent withdrawal.

If your temporary leave of absence is authorised, then your central student record will be updated and any remaining loan disbursements will be suspended or cancelled, as appropriate.

Please advise the relevant department of your leave of absence as soon as possible once it has been authorised.

I need to withdraw from my program, what should I do?

If you choose to withdraw permanently from your programme you **must** inform the University immediately.

Return of Title IV Direct Loan funds

It is a legal requirement that if a student who receives Federal Aid withdraws from the University, a Return of Title IV calculation is carried out to determine the student's entitlement to Federal Aid based on the period of attendance. Unless a student has completed at least 60% of their programme (loan period), the University is required to repay funds to the U.S. Department of Education. Consequently, the student may be requested to make an additional tuition/accommodation payment to the University to replace these funds.

Please note that the withdrawal date is also the date that the student becomes responsible for repaying their loan(s). Only subsidized and unsubsidized loans qualify for a 6 month grace period.

See Return of Title IV Direct Loan Funds – R2T4

Tax Benefits

The Internal Revenue System (IRS) provides tax benefits for education, reducing the amount of tax or interest you pay.

Student loan interest deduction

If you took out a student loan, you may be able to deduct up to $2,500 in interest paid yearly. To qualify, you should have used proceeds from the loan towards qualified higher education expenses, including tuition fees, room, board, supplies and other related expenses by you, your spouse or dependant. To claim this deduction, taxpayers must file the Form 1040.

The student loan interest deduction is taken as an adjustment to income. This means you can claim this deduction even if you do not itemize deductions on Schedule A (Form 1040).

Tuition and fees deduction

You may be able to deduct qualified higher education expenses paid during the year for yourself, your spouse or your dependent.

The tuition and fees deduction can reduce the amount of your income subject to tax by up to $4,000. To claim this deduction, taxpayers must file the Form 8917.

This tuition and fees deduction is taken as an adjustment to income. This means you can claim this deduction even if you do not itemize deductions on Schedule A (Form 1040).

Generally, you can claim the tuition and fees deduction if all three of the following requirements are met:

- you pay qualified education expenses of higher education;
- you pay the education expenses for an eligible student;
- the eligible student is yourself, your spouse, or your dependent for whom you claim an exemption on your tax return.

You cannot claim the tuition and fees deduction if any of the following apply:

- your filing status is 'married filing separately';

- another person can claim an exemption for you as a dependent on his or her tax return, you cannot take the deduction even if the other person does not actually claim that exemption;
- your modified adjusted gross income (MAGI) is more than $80,000 ($160,000 if filing a joint return);
- you were a non-resident alien for any part of the year and did not elect to be treated as a resident alien for tax purposes; more information on non-resident aliens can be found in Publication 519, U.S. Tax Guide for Aliens;
- you or anyone else claims an education credit for expenses of the student for whom the qualified education expenses were paid.

Student activity fees and expenses for course-related books, supplies and equipment are included in qualified education expenses only if the fees and expenses must be paid to the institution as a condition of enrolment or attendance.

Educational tax credit

Students may choose to claim educational tax credit (including American Opportunity Credit and Lifetime Learning Credit) instead of tuition and fee deductions. As the University is not a US tax paying institution, we cannot supply a 1098-T form to students.

For more information on Tax Benefits, visit the IRS website.

Misrepresentation

The University does not engage in misrepresentation, which is prohibited by US Department of Education regulations as explained here:

- Misrepresentation is defined as a false, incorrect, or misleading statement made directly or indirectly to a student, prospective student, any member of the public, an accrediting agency, a government agency or the Department.
- A statement is any communication made in writing, visually, orally or through other means. This definition applies to statements made by an eligible institution, the institution's representatives, or any ineligible institution, organization, or person with whom the eligible institution has an agreement to provide educational programmes or those that provide marketing, advertising, recruiting, or admissions services.
- Substantial misrepresentation occurs when a misrepresentation upon which a person could reasonably be expected to rely causes harm. Substantial misrepresentations are prohibited in all forms, including those made in any advertising or promotional materials or in the marketing or sale of courses or programs of instruction offered by the Institution. An institution, one of its representatives, or a related party engages in substantial misrepresentation when it does so about the nature of its educational program, its financial charges, or the employability of its graduates.
- If the U.S. Department of Education determines that an eligible Institution has engaged in substantial misrepresentation, it may impose sanctions against the institution.