

## MN K-12 Education Subtraction and Credit

*Please fill out for each school age child.*

Child Name: \_\_\_\_\_

Child Grade: \_\_\_\_\_

TYPE OF SCHOOL ATTENDED (PUBLIC/PRIVATE/HOME SCHOOL): \_\_\_\_\_

EXPENSES FOR ENRICHMENT OR ACADEMIC CLASSES: \_\_\_\_\_

EXPENSES FOR INDIVIDUAL INSTRUCTION BY QUALIFIED PERSON: \_\_\_\_\_

EXPENSES FOR REQUIRED SCHOOL EXPENSES (SUPPLIES, ETC): \_\_\_\_\_

EXPENSES FOR MUSICAL INSTRUMENT PURCHASE OR RENTAL: \_\_\_\_\_

EXPENSES FOR PRIVATE SCHOOL TUITION: \_\_\_\_\_

EXPENSES FOR PERSONAL COMPUTER HARDWARE/EDUCATIONAL SOFTWARE: \_\_\_\_\_

**Expense Examples:**

These common expenses may qualify for the education credit or subtraction. For a complete list of Qualifying/Non-Qualifying expenses go to <https://www.revenue.state.mn.us/qualifying-expenses>

Educational expenses	Credit	Subtraction	Neither
Private school tuition		X	
Tuition for college courses used to satisfy high school graduation		X	
Tutoring (led by a qualified instructor)	X	X	
Fees for after-school enrichment programs such as science exploration and study habits courses (taught by qualified instructors)	X	X	
Tuition for summer camps that are primarily academic in focus, such as language or fine arts camps (led by qualified instructors)	X	X	
Fees for all-day Kindergarten	X	X	
Music lessons (led by a qualified instructor)	X	X	
Instructor fees for a drivers education course (led by a qualified instructor) if the school offers a class as part of the curriculum	X	X	
Sports camps, lessons, or fees (sports include figure skating and gymnastics)			X
Nonreligious academic books and materials purchased for use during the regular public, private, or home school day	X	X	
Purchase of books and materials used for tutoring, enrichment, programs, or academic trips			X
Purchase or rental of musical instruments used for regular school music classes	X	X	
Fees paid to others for transportation to and from school, or for field trips	X	X	
Costs to transport your child to and from tutoring, enrichment programs, or camps that are not part of the school day			X
Travel expenses, lodging, and meals for overnight class trips			X
Home computer hardware and educational software	X	X	
Noneducational computer software			X

## Expenses that do not qualify:

- School lunches or meals
- School uniforms (including band uniforms, choir robes, dance costumes and graduation robes)
- Monthly internet access fees
- Books and materials used in any extra-curricular activities or sporting events
- Books, materials, or instruction used in teaching religious beliefs
- Clothing for school (except for clothing required for gym class)
- Kleenex
- Backpacks
- Nonacademic programs such as sports camps, lessons, or equipment such as martial arts classes, dance line, baseball camp and others
- Transportation expenses for extra-curricular activities or programs outside the normal school day
- Cost of driving the child or the child driving themselves to school
- Expenses for pre-Kindergarten classes and nursery schools
- Expenses for classes after the student has left high school
- Participation fees for club activities, extracurricular activities, and sporting activities such as pep band, marching band, and coaching
- Room and board
- Fees for extracurricular academic instruction provided by the child's sibling, parent, or grandparent
- Travel expenses for overnight class trips
- Testing fees for advanced placement and college entrance exams such as the SAT and ACT
- Hardcover encyclopedias or reference materials
- Diagnostic fees to determine what assistance the child needs
- Fees paid for membership in an association (for example, YMCA, sports or health clubs, museums, zoos, home-based education accreditation associations)
- Seminars for the parent
- Fees or tuition for correspondence schools
- Materials used for setting up a home school (for example, desks, whiteboards, demo kits, maps, globes)
- Equipment normally provided by the school (for example, gym equipment, major shop equipment, kitchen appliances and the like)

## Claim the Expense in the Year of Payment:

The year in which the payment was made determines when an expense qualifies. If the educational service or material was received in a year different than the year of payment, you may only claim the qualifying expense for the year in which the payment was made. This applies to both the subtraction and credit.

### Determining year of payment for financed expenses

If you receive a loan from your local bank or use a third-party credit card to pay your qualifying expenses, your expenses are considered fully paid when you make the initial purchase.

The opposite is true if you purchased a qualifying expense on credit directly from a retailer (such as a non-third-party credit card). In this case, your purchase is not fully paid when you make the initial purchase. Rather, each payment you make to the retailer is considered a separate expense.

**Example 1.** Tammy bought a computer several years ago on credit using her personal credit card, and she's still making payments on this purchase. In this case, because her initial purchase was made several years ago, it does not qualify for a credit or subtraction on this year's income tax return.

**Example 2.** Charles received a loan from his local bank to pay educational expenses for his children. The expenses are considered to have been paid in the year they were made, regardless of when Charles paid back the loan.

**Example 3.** Last October, Don purchased a computer on credit directly from the computer store. He made two payments on this credit during the year. Don may only include the amounts of the two payments, up to the maximums allowed, as qualifying expenses.

**Example 4.** Rita's daughter took tutored classes in the fall, but she did not pay for the classes until January of the next year. For both the subtraction and credit, Rita's qualifying expenses must be claimed in the year in which the fee is paid, not when the class is taken.