



Tuition Waiver

Tax Exemption Rules and Certification of Job Relatedness

Taxation Rules for Graduate Education

As of January 1, 2002, Congress has extended the \$5,250.00 yearly income tax exclusion for graduate tuition. What this action means is that if employees use the DU tuition waiver for their own graduate education that is not job related, taxes will not be assessed until the yearly exclusion is exhausted.

Please note that job related graduate education, taken by the employee, would continue to be non-taxable, regardless of the amount, as long as Certification of Job Relatedness forms are **submitted to the DU Benefits Office by the first day of the term in which the tuition waiver is being applied.**

All spouse and dependent child graduate education, "paid" for by the DU tuition waiver, is considered taxable income for the employee. A tax exemption cannot be claimed on these courses, regardless of their job relatedness.

Is My Tuition Waiver Usage Job Related?

To show job relatedness the course(s) taken must either:

- 1) Be required by DU or by the law as a condition of keeping your present salary, status, or job (and serve a business purpose of the University); or
- 2) Maintain or improve the skills needed for your present work or position.

Even if your education meets one or both of the requirements above, it is NOT qualifying if it is:

- 1) Needed to meet the minimum educational requirements of your present trade or business; or
- 2) Required as a part of a program of study that can qualify you for a new trade or business, even if you have no plans to enter that trade or business.

Examples of the types of education that have qualified as being job related are courses in business administration, personnel administration, management, public administration, computer programming, engineering, psychology and languages.

If, after reviewing the above requirements, you believe that the course you will be taking is job related please complete the Certification of Job Relatedness Form and return it to the DU Benefits Office by the first day of the term in which the tuition waiver is being applied.

(see reverse side for Certification of Job Relatedness Form)



Tuition Waiver *Certification of Job Relatedness Form*

*****Remember that a new form must be completed for EACH course*****

Name:	Department:
DU ID #:	Phone #:
Term and Year:	E-mail Address:
Course Reference # (CRN):	Course Subject and #:
Course Title:	
Course Description:	

This course is job-related because:

I hereby certify that the above-listed graduate level course meets the qualifying DU and IRS educational criteria that allows the named employee an exemption from taxation.

Employee Signature Date

Supervisor Signature Date

Form should be submitted to the DU Benefits Office by the first day of the term in which the tuition waiver is being applied.