



How To Enter Form 8863 Education Credit (For Form 1098-T)

The taxpayer will need to provide you with a 1098-T to be able to take this credit.

If Box 8 on the 1098-T is not checked then there is nothing to claim. If the taxpayer is a dependent they can not claim the 1098T.

If box 4 +5 is more than box 1+2 there is nothing to claim

Go to "Common Forms" and add the "Forms 8863 - Education Credit"
Select the student from the dropdown.

If box 9 is **not** checked answer the questions as follows:

23 - "No"
24 - "Yes"
25 - "No"
26 - "No"

"Pursuing a degree?" - "Yes"

To the right next to "Education benefit being claimed for this student" select "AOTC"

Enter the amount from box 1 in "Total qualified education expenses.."

Enter the amount from box 5 in "Tax-free education assistance ..."

Enter the amount from box 4 in "Refunds of qualified education.."

Enter the institution information from the 1098T as it appears including the EIN, Name, and address.

Answer the questions:

Did the student receive Form 1098-T from this institution for 2024? - "Yes"

Did the student receive Form 1098-T from this institution for 2023 with box 7 checked?
- "No"

Checkmark "1098T" next to 5.

Mark "Yes" next to "Did the taxpayer provide substantiation..."

Click "Save."

If box 9 **IS checked on the 1098-T you will answer the questions as follows:

- **Yes** - Has the Hope Scholarship Credit or American Opportunity Credit already been claimed on 4 prior tax returns?
- **Yes** - Was the student enrolled at least half-time?
- **Yes** - Did the student complete the first 4 years of post-secondary education before 2020?
- **No** - Was the student convicted, before the end of 2020, of a felony for possession or distribution of a controlled substance?