Dear Student:

Enclosed is your 1098-T Tuition Statement. A copy of this statement is also being furnished to the Internal Revenue Service (IRS).

Qualified Tuition and Related Expenses (Box 2):
Credit for “qualified tuition and related expenses”, which is defined as tuition and fees required for enrollment or attendance of the taxpayer, the taxpayer’s spouse, or the taxpayer’s dependents at an eligible institution, is reported in this box. Qualified tuition and fees do not include: (1) any course or other education involving sports, games, or hobbies unless the course or other education is part of the student’s degree program or is taken to acquire or improve job skills; and, (2) charges and fees for room, board, insurance, medical expenses (including student health fees), transportation, and similar personal, living, or family expenses, regardless of whether the fee must be paid to the institution as a condition of enrollment.

Please note: Box 2 of the enclosed 1098-T includes the amount of qualified tuition and related expenses billed by the University. The IRS allows for the reporting of either the aggregate amount of qualified tuition and expenses paid by or on behalf of the student or the amounts billed. The University has elected to report the amounts billed. The enclosed form does not show the amount of tuition paid by the student or their family, therefore, Box 1 will be blank.

For undergraduates, the amount reported represents the total annual amount billed for calendar year 2016. For most students, the amounts reported include eligible fees included on the January 2, 2016 billing statement for the spring term of the 2015-2016 Academic Year, and on the August 1, 2016 billing statement for the fall term of the 2016-2017 Academic Year. Eligible fees include Tuition, Class Dues, Activity Fee, and the one-time Transcript Fee for freshman. The following chart is provided as a reference. Actual amounts billed (including adjustments, study abroad tuition, etc.) are reflected on your Student Account statements.

<table>
<thead>
<tr>
<th>Class Year</th>
<th>Term</th>
<th>Bill</th>
<th>Tuition</th>
<th>Class Dues</th>
<th>Activity Fee</th>
<th>Transcript Fee</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>January</td>
<td>$21,725.00</td>
<td>$150.00</td>
<td>$36.00</td>
<td>$0.00</td>
<td>$21,911.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>August</td>
<td>$22,660.00</td>
<td>$156.50</td>
<td>$37.50</td>
<td>$0.00</td>
<td>$44,647.00</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>January</td>
<td>$21,725.00</td>
<td>$32.00</td>
<td>$36.00</td>
<td>$0.00</td>
<td>$21,911.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>August</td>
<td>$22,660.00</td>
<td>$156.50</td>
<td>$37.50</td>
<td>$0.00</td>
<td>$44,647.00</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>January</td>
<td>$21,725.00</td>
<td>$32.00</td>
<td>$36.00</td>
<td>$0.00</td>
<td>$21,911.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>August</td>
<td>$22,660.00</td>
<td>$156.50</td>
<td>$37.50</td>
<td>$0.00</td>
<td>$44,647.00</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>January</td>
<td>$21,725.00</td>
<td>$32.00</td>
<td>$36.00</td>
<td>$0.00</td>
<td>$21,911.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>August</td>
<td>$22,660.00</td>
<td>$156.50</td>
<td>$37.50</td>
<td>$0.00</td>
<td>$44,647.00</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>August</td>
<td>$22,660.00</td>
<td>$33.50</td>
<td>$37.50</td>
<td>$75.00</td>
<td>$22,806.00</td>
<td></td>
</tr>
</tbody>
</table>

For graduate students, qualified tuition and related charges include the total annual amount billed in calendar year 2016 for Tuition, the Graduate Student Government Fee, and the one-time Transcript Fee. The mandatory Student Health Plan bundled with the graduate tuition is not an eligible fee and has been removed from the tuition reported. Actual amounts billed (including adjustments, partial tuition, etc.) are included on your Student Account statements.

Tuition, February 2016: $21,725.00 (less $22,675.00 minus $950.00 Student Health Plan)
Tuition, September 2016: $22,660.00 (less $23,610.00 minus $950.00 Student Health Plan)
Transcript Fee, First Year Grads: $75.00

For students in Princeton’s Program in Continuing Education, qualified tuition and related charges represent the program’s tuition fee.
As indicated, the University is providing students with information regarding the amount it has billed for tuition and related expenses. However, under the Internal Review Code, a taxpayer may claim an education tax credit only in the year in which a payment for tuition or expenses is actually made. There may be a difference in the calendar year in which a tuition payment is billed by the University and the year in which it is actually paid by the taxpayer. Consequently, in some cases, the amount in Box 2 may be different than the amount the taxpayer may actually take as an education tax credit on their tax return. Therefore, taxpayers should refer to their personal financial records to serve as the official supporting documents when claiming tax credits.

**Adjustment Made for a Prior Year (Boxes 4 and 6)**
Adjustments to amounts reported in a prior tax year as Amounts Billed and/or Scholarship and Grants administered will be reported in the current tax reporting year. These adjustments may affect the amount of any allowable education tax credit for the prior calendar year (and may result in an increase in tax liability for the prior year).

**Scholarships or Grants (Box 5)**
Scholarships or Grants reported for the calendar year on Form 1098-T, and other similar amounts not processed by the University, may reduce the amount of allowable education tax credit for the taxable year.

**Reimbursement or Refunds from an Insurance Contract (Box 10)**
The amount of any reimbursements or refunds of qualified tuition and related expenses reported by an insurer may also reduce the amount an allowable education tax credit for the taxable year (and may result in an increase in tax liability for the year of the refund).

**References**
The taxpayer should refer to relevant IRS forms and publications, or consult with their personal tax advisor, for explanations relative to their eligibility for and calculation of any allowable educational tax credit.

The taxpayer should not contact the University regarding information relating to eligibility for and/or calculation of these tax benefits. The Student Accounts Office can only answer questions regarding amounts reported as billed, but cannot address tax questions.

For IRS information regarding educational tax credits, reference their website at [www.irs.gov](http://www.irs.gov) or call the IRS at 1-800-829-1040.

**Statement Provided By:**
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