



Graduate Tuition Remission Tax Waiver Form

(submit to GradTaxWaiver@pace.edu)

Employee Information

| | | | |
|-----------------------|----------------------------------|-----------|-----------|
| Employee Name: _____ | Employee Status: | Full-time | Part-time |
| Employee UID #: _____ | Employee Type: | Staff | Faculty |
| Email: _____ | Employee Title: | _____ | |
| Department: _____ | Supervisor Name: (STAFF ONLY) | _____ | |

Course Information

Calendar Year: _____

Semester*: _____

| <u>Course Name</u> | <u>Course #</u> | <u>Credits</u> |
|--------------------|-----------------|----------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

*A separate form should be submitted prior to each semester in which the employee is taking qualifying courses once the tuition remission request has been submitted in the online system for that process. If a course is added or dropped after the start of the semester, a new form must be submitted.

If the change impacts taxation, please note that while the adjustment will be made to appropriately reflect the non-taxable benefit, any taxes already paid are not refundable during the tax year.

Tuition Remission Taxation

Graduate-level tuition remission for employees that exceeds \$5,250 in a calendar year is generally subject to income tax withholding. In limited situations, Graduate Tuition Remission benefits for employees may not be subject to taxation if they meet the requirements of a "working condition fringe benefit" under IRC Section 132(d). The determination must be done for each course.

The criteria that must be met in order for a course to be deemed tax exempt are as follows.

1. The educational course must be job-related, and either (a) maintain or improve job skills, or (b) be expressly required by the employer or by law.
2. The educational course must NOT (a) be needed to meet the minimum educational requirements of the current job, or (b) qualify the employee for a new trade or business.

Federal and state regulations mandate that graduate tuition remission for courses not meeting this criteria be treated as taxable income for the value above \$5,250 in a calendar year.

Signatures

Employee: I believe that the tuition assistance benefit for the course(s) on this form qualify for the working condition fringe benefit exception as described above and would not be taxable. I am requesting that the University not withhold taxes from my compensation based on the approved benefit received. I understand and agree that the University's approval of this request does not change my responsibility for any tax payments or amounts owed as may be determined by the Internal Revenue Service and/or State Treasury Department if they determined that this tuition benefit is taxable. _____

Supervisor (STAFF ONLY): I certify that I have reviewed the employee's position description and have determined that the courses listed above meet the IRS criteria described on this form for being deemed tax exempt. _____

Please note that completion of this form does not guarantee that the courses listed will be deemed fully tax exempt. You will be notified by HR if this request is approved or disapproved.

HR Approval: _____

Date: _____