

## Education Expenses – Form 1099Q

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Originally Published: February 13, 2007

### Todd writes:

I am having a terrible time trying to figure out my son's income tax. He received form 1099-Q for his education expenses dispersed from the Texas Tomorrow Fund. I looked up publication 970 Chapter 8 and I have read it and figured it but still don't get it. If he is still my dependent how does this work. Surely I did this last year but I am clueless this year. I don't think that my wife and I will qualify for the educational credits this year but then again I am not sure. Any help?

Thanks,  
Todd

### My response:

Hello Todd! Based on your first sentence I would say you should hire a tax professional to help you out. Don't be embarrassed as Form 1099Q can be confusing. Before I write a bit about it I want to say congratulations for getting into the Texas Tomorrow Fund before they closed it. As I'm sure you're aware it was a very wise investment.

As to whether or not your son is your dependent, you haven't provided enough information for me to tell you. Perhaps if you read my article, "[Is My Son My Dependent](#)" and [IRS Publication 501](#), you'll be able to figure it out. If not a qualified tax professional should have no trouble doing so.

In general, if you had "qualified" educational expenses equal to the amount in Box 1 of the 1099Q (distributions), then you don't do anything, it is not taxable. If there is something in Box 2, then the amount in Box 2 may be taxable if you did not use them for qualified educational expenses. If your qualified educational expenses were greater than the amount on the 1099Q, then the difference can be claimed as either an education credit or tuition and fees adjustment. If the 1099Q amount is higher than your expenses, then things get more complicated and it's best to speak to a qualified tax professional.

Qualified education expenses are the tuition, fees, books, supplies, and equipment required for enrollment or attendance at an eligible college, university or other educational institution. They also include some room and board costs. If you're not sure it's best to consult [IRS Publication 970](#).

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**Gina L. Gwozdz** is a CPA who has chosen to specialize in taxes. Visit her website at <http://GLGcpa.com> to view more Tax Tip Articles.