

Graduate Assistant – Taxability of Tuition Remission

Undergraduate and teaching and research graduate tuition remission is tax exempted by IRS Code Section 117. Non-teaching/research graduate assistantships were specifically excluded from this exclusion thereby making the tuition remission related to these assistantships taxable. However, the tuition remission for these assistantships may be tax exempted under IRS Code Section 132 and Treasury Regulation 162(a) which allows education benefits from employers to be tax exempted for certain courses of study.

The purpose of the Graduate Assistant Tuition Remission Form is to determine the type of graduate assistantship and then determine if the assistantship is taxable or exempted. If the graduate assistantship is teaching or research, it is exempted by definition under IRS Code Section 117. If the graduate assistantship is a service assistantship, then the questions in “Section B” are designed to allow the University to determine if the assistantship is taxable or exempted under Treasury Regulation 162(a) by comparing the duties of the assistantship to the course of study.

It is important that the Tuition Remission Form be completed and signed by the graduate assistant and his/her supervisor. The supervisory signature should be from someone within the department who has supervisory responsibilities over the graduate assistant and the knowledge that the information supplied by the graduate assistant is correct.

Don Zant
Internal Auditor
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Instructions for Completing Graduate Tuition Remission Form

1. Section A: Provide all data as identified. The data entered should coincide with that required in the other award documents.
2. Section B: If duties are other than teaching and research, this section must be completed.
 - Assistantship Duties & Responsibilities: This should be a concise summary of the position assignments.
 - Major Course of Study: (example, Master of Science in Microbiology)
 - College/School: Self explanatory.
 - Does the “Course of Study” maintain or improve skills required. ? Check yes or no.
 - Does the stated “Course of Study” relate to the graduate ? Check yes or no. If the answer is “yes” an explanation substantiating how studies are “job related” must be entered in the space provided. Lengthy explanations should be printed on plain bond paper and attached to this form.

Below is a generic statement that you could possibly use as a guide in development of your own explanation:

“Responsibilities of this assistantship position provide an avenue for realistic application of the knowledge and skills learned from courses, i.e., (list some of your program courses that have direct relevance to the present employment position). The background afforded by my required program courses will possibly stimulate development of techniques for

3. Section C: The student and supervisor must sign this form. In case of audit, questions will be directed to these individuals.

The TRF will be retained in your student file and the content of your explanation will be most important if IRS visits this University to perform an audit.

Processing Instructions

This form is required for each appointment period and assistantship title change. It must accompany the EAFs and RAPs issued for new or extending awards. The “Begin” and “End” dates are to coincide with that of the Offer/Acceptance Letter.

1. Complete the form following the instructions provided.
2. Attach the signed original form to the award documents (EAF, Offer/acceptance letter, etc.) being processed to the Office of Graduate Studies.