

TAX FILING REQUIREMENTS AND PROPER FILING STATUS - 2016

U.S. Department of Education rules stipulate that you cannot receive federal student financial aid unless proper tax forms have been filed with the Internal Revenue Service. Because of parity of treatment of all aid applicants, these rules also apply to institutional aid.

We cannot disburse federal student financial aid until amended returns have been filed with the Internal Revenue Service. An amended return may be filed using IRS Form 1040X, which is available online at www.irs.gov.

For a dependent student, a 2016 tax return must be filed if the individual had

- more than \$6,350 in earned income, or
- more than \$1,050 in unearned income (such as interest and dividends), or
- gross income more than the larger of \$1,050, or earned income (up to \$6,000) plus the sum of \$350.

Note that a student cannot claim a personal exemption for him/herself if some other tax filer (such as a parent) is can claim the student as a dependent, regardless of whether in fact the student is claimed as a dependent.

For parents and independent students, a 2016 tax return must be filed if income subject to taxation exceeded

- \$10,400 for a single individual under age 65
- \$4,050 for a married individual filing a separate return
- \$20,800 for a married couple filing a joint return if both spouses are under age 65
- \$13,400 for an individual under age 65 filing as head of household
- \$16,750 for a qualifying widow(er) or surviving spouse under age 65
- \$11,950 for a single individual age 65 or older
- \$22,050 for a married couple filing a joint return if one spouse is age 65 or older
- \$23,300 for a married couple filing a joint return if both spouses are age 65 or older
- \$14,950 for an individual age 65 or older filing as head of household
- \$18,000 for a qualifying widow(er) or surviving spouse age 65 or older

Also note that

- Parents who are married cannot file separate returns with one parent filing as single or as “married filing separately” and the other parent filing as head of household and claiming children or others as dependents. Married parents may file a joint return or separate returns as “married filing separately.”
- In the case of divorced or separated parents, a dependent child may be claimed on a tax return by only one parent.
- In the case of divorced parents, if one parent claims the payment of alimony on his/her tax return, the other parent must report alimony as taxable income on her/his tax return.