



## Information for Private School Families 2009 K-12 Education Tax Credit & Deduction/Subtraction

The Minnesota Independent School Forum ([www.misf.org](http://www.misf.org)) would like to share some valuable tax information specifically for families with students in private/nonpublic K-12 schools. Please consult your tax advisor with questions and a complete list of qualifying education expenses as you complete your 2009 tax returns.

### Education Tax Credit

**TAX CREDITS** directly reimburse families for money spent on education. For 2009, there is a refundable education tax credit of 75 cents for each dollar spent on qualifying expenses. Up to \$1,000 per qualifying child can be claimed during each calendar year. For example, if you spend \$100 on school supplies, you can receive a \$75 tax credit. Qualifying examples of expenses are included on the reverse side.

If your family's income is \$33,500 or less, you qualify for the full credit of \$1,000 per qualifying child. If your family earns more than \$33,500, then the amount of your credit will be determined when you file your taxes based on your household income and the number of qualifying children you have in grades K-12 attending public, private, or home school.

See the chart below to determine if you qualify to receive a tax credit:

Number of Qualifying Children in Grades K-12:	Maximum Household Income
1 or 2	\$37,500
3	\$39,500
4	\$41,500
5	\$43,500
6 or more	Limit increases by \$2,000 for each additional qualifying child in grades K-12

### Education Tax Deduction

**TAX DEDUCTION/SUBTRACTION** allows families to reduce the amount of income they pay taxes on by subtracting qualifying expenses, up to the maximum amounts, from taxable income when filing Form M1. An education tax deduction exists for all Minnesota Families who pay qualifying educational expenses for their children in grade K-12, regardless of family income. Even if you do not itemize deductions elsewhere on your tax return, you can receive this deduction and increase your refund. Examples of qualifying expenses are on the next page. Children in grades K-6 are eligible for deductions up to \$1,625. Children in grades 7-12 are eligible for deductions up to \$2,500. There is no family maximum.

## Examples of Expenses that Qualify for the Education Credit and/or Deduction

Educational Expense(s):	Credit	Deduction	Neither
Purchase of books and materials used or tutoring, enrichment programs, academic camps or after-school activities			•
Tutoring (by a qualified person)	•	•	
Fees for after-school enrichment programs (such as science exploration and study habits courses)*	•	•	
Tuition for summer camps that are primarily academic in focus (such as language or fine arts camps)*	•	•	
Music lessons*	•	•	
Instructor fees for drivers education course, if the school offers a class for credit	•	•	
Private school tuition		•	
Tuition for college courses which satisfy high school graduation requirements		•	
Programs that teach religious beliefs			•
Sport camps or lessons			•
Non-religious academic books and materials purchased for use during the regular public, private, or home school day	•	•	
Purchase and/or rental of musical instrument used for regular school music class	•	•	
Fees paid to others for transportation to and from school during the normal school day	•	•	
Costs to transport your child to and from tutoring, enrichment programs, or camps which are not part of the school day			•
Travel expenses, lodging, and meals for overnight class trips			•
Home computer hardware and/or education software**	•	•	
School supplies (pens, notebooks, crayons, etc.) for use during the regular public, private or home school day	•	•	

\* Study must be directed by a qualified instructor (cannot be the child's sibling, parent or grandparent), limited to: MN licensed teacher or someone supervised by a license teacher; someone who has passed a teacher-competency test or teaches in an accredited private school; someone with a baccalaureate degree; or a member of the Minnesota Music Teachers Association.

\*\* Computer-related expenses can be used to qualify for a credit up to \$200 and an additional deduction of up to \$200 per family. For example, if you have \$300 of computer expenses and you qualify for both the credit and deduction, you may claim \$200 as a credit and the remaining \$100 as a deduction.

